

INTERNATIONAL INTELLECTUAL PROPERTY ALLIANCE



1747 PENNSYLVANIA AVENUE, NW • SUITE 825 • WASHINGTON, DC • 20006-4637 • TEL (202) 833-4198 • FAX (202) 872-0546 • WWW.IIPA.COM • EMAIL: INFO@IIPA.COM

September 26, 2003

Via electronic submission: fr0052@ustr.gov

Steven Falken
Chair, GSP Subcommittee
Office of the U.S. Trade Representative
1724 F Street, NW
Washington, DC 20508

Re: Brazil, GSP Country Practices Review,
011-CP-02, Notice of Intent to Testify
and Pre-hearing Brief

To the GSP Subcommittee:

The International Intellectual Property Alliance (IIPA) hereby submits this Notice of Intent to Testify at the GSP country practices review of Brazil, which is scheduled to be held on October 7, 2003. As you know, IIPA was the original petitioner of the GSP review of Brazil's intellectual property rights practices in the 2000 GSP Annual Review. Attached to this letter is IIPA's Pre-Hearing Brief.

The IIPA witness will be: Maria Strong
Vice President and General Counsel
International Intellectual Property Alliance
1747 Pennsylvania Avenue, NW, Suite 825
Washington, DC 20006
Tel: (202) 833-4198; Fax: (202) 872-0546
Email: mstrong@iipa.com

Thank you.

Sincerely,

Maria Strong



**Pre-hearing Brief
of the International Intellectual Property Alliance
in the GSP Review of the Intellectual Property Rights Practices of Brazil**

Before the GSP Subcommittee
Case 011-CP-02, Brazil
Submitted September 26, 2003

The International Intellectual Property Alliance (IIPA) appreciates this opportunity to provide this Subcommittee with an update on the progress, and lack of progress, made by Brazil in its efforts to enforce its copyright laws. In sum, we believe that Brazil continues to fail to provide “adequate and effective” copyright protection and enforcement, as required by the Generalized System of Preferences trade program.

I. Interest of the IIPA in this GSP IPR Review

The International Intellectual Property Alliance is an “interested party” in this GSP review. IIPA represents associations and companies which have a significant economic interest in the adequate and effective protection of copyrights in Brazil. Specifically, the IIPA is a private sector coalition formed in 1984 to represent the U.S. copyright-based industries in bilateral and multilateral efforts to improve international protection of copyrighted materials. The IIPA is comprised of six trade associations: the Association of American Publishers (AAP), AFMA, the Business Software Alliance (BSA), the Entertainment Software Association (ESA), the Motion Picture Association of America (MPAA), and the Recording Industry Association of America (RIAA).

These member associations represent over 1,300 U.S. companies producing and distributing materials protected by copyright laws throughout the world – all types of computer software including business applications software and entertainment software (such as videogame CDs and cartridges, personal computer CD-ROMs and multimedia products); theatrical films, television programs, home videos and digital representations of audiovisual works; music, records, CDs, and audiocassettes; and textbooks, tradebooks, reference and professional publications and journals (in both electronic and print media). The copyright-based industries are a vibrant force in the American economy.¹

Inadequate copyright laws and ineffective anti-piracy enforcement adversely affects employment, job creation and revenues, both in the United States as well as Brazil. With many of these U.S. companies increasingly relying on foreign licensing and sales revenues, piracy combined with inadequate

¹ According to Copyright Industries in the U.S. Economy: The 2002 Report, prepared for the IIPA by Economists, Inc., the core U.S. copyright industries accounted for 5.24% of U.S. GDP or \$535.1 billion in value-added in 2001. Between 1977-2001 (24 years), the core copyright industries’ share of GDP grew at an annual rate more than twice as fast as the remainder of the economy (7.0% vs. 3.0%). Also over those 24 years, employment in the core copyright industries more than doubled to 4.7 million workers (3.5% of total U.S. employment), and grew nearly three times as fast as the annual employment growth rate of the economy as a whole (5.0% vs. 1.5%). In 2001, the U.S. copyright industries achieved foreign sales and exports of \$88.97 billion, a 9.4% gain from the prior year. The copyright industries’ foreign sales and exports continue to be larger than almost all other leading industry sectors, including automobiles and auto parts, aircraft, and agriculture. IIPA’s 2002 economic report can be accessed in its entirety at http://www.iipa.com/copyright_us_economy.html.

enforcement, has become a major impediment to this continued revenue growth and has become the major market access barrier for the copyright industries. As the GSP Subcommittee is aware, the challenges faced by the copyright industries and national governments to enforce copyright laws grow exponentially as the forms of piracy shift from hard-goods and toward digital media and unauthorized electronic transmissions. Several of IIPA's members associations and their member companies, based both in Brazil and in the U.S., undertake active anti-piracy campaigns on-the-ground in Brazil.

In August 2000, the IIPA filed a petition with the U.S. government to initiate a review under both the GSP of the eligibility of Brazil to participate in the GSP program due to its failure to provide adequate effective copyright protection for U.S. copyright owners, as required by Sections 502(b) and 502(c) of the 1974 Trade Act.² GSP hearings were held in Washington, D.C., on March 9, 2001. IIPA has kept this Subcommittee informed of developments in Brazil, including circulating our 2003 Special 301 submission on Brazil.³ For the first seven months of 2003, over \$1.37 billion in Brazilian products entered the U.S. under the GSP program, a 21% increase from the same period in 2002.⁴

Our Pre-Hearing Brief focuses on the continuing problems of widespread piracy and inadequate and ineffective criminal copyright law enforcement in Brazil.

II. Inadequate and Ineffective Criminal Copyright Enforcement in Brazil

The copyright industries had hoped that the new administration of President Luiz Inácio Lula da Silva would initiate a re-energized, national approach to reducing copyright piracy in Brazil. The current Administration inherited a difficult situation regarding copyright piracy and enforcement. The Cardoso government made numerous commitments to the U.S. government, promising to address the core problems of high piracy rates and inadequate enforcement in Brazil. Sadly, these promises were not fulfilled, and piracy continues to grow even as the industries continue to increase their anti-piracy investigations and foster public awareness through educational campaigns.

We highlight the key deficiencies in Brazil's enforcement of its copyright law, below:

- This Subcommittee will recall that the Brazilian Embassy announced its government's creation of the Inter-ministerial Committee to Fight Piracy (IMC) at the March 2001 GSP hearings. IIPA and our colleagues noted (both at the March 2001 GSP hearing and in IIPA's post-hearing brief) that it was imperative that inter-agency coordination be established immediately in order to take swift action to combat widespread copyright piracy and improve enforcement across the responsible Brazilian agencies.⁵ To be blunt, the IMC under the Cardoso Administration took very little concrete anti-piracy actions under the IMC umbrella. In fact, the entire IMC never even met with the copyright industries in the last two years. The IMC is an example of another bilateral commitment to address piracy which was not implemented.

² The intellectual property rights provisions in the GSP statute appear at 19 U.S.C. §§ 2462(b) and (c).

³ A copy of IIPA's February 14, 2003 letter to the GSP Subcommittee, which included our 2003 Special 301 submission on Brazil, is available at http://www.iipa.com/gsp/2003_Feb14_GSP_Brazil.pdf.

⁴ This statistic is available by searching the U.S. International Trade Commission Interactive Tariff and Trade DataWeb at <http://www.dataweb.usitc.gov>.

⁵ See IIPA's April 6, 2001 post-GSP hearing brief to this Subcommittee wherein which we identified the need for the IMC to coordinate itself quickly and take swift action against piracy. There IIPA also provided an illustrative list of actions that the IMC could coordinate; this document is available on the IIPA website at http://www.iipa.com/gsp/2001_Apr6_GSP_Brazil.pdf.

Under the Lula Administration, the IMC has maintained its organizational structure and remains completely ineffective. An indication of IMC's lack of action is demonstrated by the Congressional decision not to even invite the IMC Director to testify during the current Congressional investigation into piracy and anti-piracy enforcement. This IMC, still headed by the Ministry of Justice, spent at least its first full year of the Lula administration discussing issues but without taking any action (and with almost no participation by the private sector). Its only actions have been to release a brochure explaining the dangers of piracy and to organize a conference (set for October 2003) to further discuss piracy. Its approach to piracy has been primarily academic in nature, and it has taken little concrete enforcement or enforcement-coordination action since the change in administrations. The IMC's paralysis is a reflection of the anti-piracy paralysis in the Ministry of Justice which, under the Lula administration, has completely stopped the few advances made late in the Cardoso administration (such as coordinated national raids, training courses and an MOJ/Industry anti-piracy information database).

- Copyright piracy level in Brazil remained high across all sectors in 2002, and the declining Brazilian economy only exacerbated matters. Brazilian pirates have turned to local domestic production of pirate materials, with much of the blank CD-R materials being imported or smuggled from abroad; the resulting CD "burning" of copyrighted materials is becoming more and more widespread. Some pirated optical media product, primarily manufactured in Southeast Asia and Paraguay, still enters the Brazilian market. Internet piracy is on the rise, adding to the already existing problems associated with the more traditional forms of hard goods piracy. Piracy is so lucrative that organized crime elements, from within and outside Brazil, exercise control over the production and distribution of infringing copyrighted products.

In general, our industries report that there has been no noticeable improvement in the piracy situation so far this year. RIAA confirms that the piracy level for sound recordings remains very high (more than 50% of the market is pirate), that legitimate sales continue to plummet, and there has been no improvement in this dire situation in 2003. MPAA continues to report that audiovisual piracy rates remain high, pirate product continues to be ubiquitous, and piracy continues to worsen while anti-piracy enforcement continues to be generally ineffective. However, MPAA has seen some improvements in piracy and anti-piracy on an *ad hoc* basis in limited areas of the country and in limited areas of some enforcement agencies; these improvements, however, are based more on the good will of a few individual enforcement authorities than on any improvement in or commitment by their governmental institutions. And, MPA notes, the sum of these new improvements is insufficient to lead to any overall improvement in piracy.

- Although a few Brazilian police units have conducted a substantial number of raids, these raids have resulted in very few criminal prosecutions. Police raiding activities are inconsistent, with the level of attention varying throughout the country. For example, the copyright industries report good cooperation with certain Brazilian states. Specifically, the state government of São Paulo has created a specialized police unit for piracy cases, the DEIC, which is part of the Organized Crime Office. The municipality of Porto Alegre in Rio Grande do Sul has established a municipal effort to right piracy.

The State of Rio de Janeiro announced the creation of a special anti-piracy task force in mid-2002, and activated its Special Anti Piracy "Delegacia" (Precinct) some three months ago. Some industries report that this task force is beginning to conduct some limited operations, and is

beginning to show limited results in an region that has historically been subject to corruption and ineffective anti-piracy enforcement. Nevertheless, this task force (which notably is State-funded and not a Federal effort) is a small operation with human and financial resources far below the need shown by the private sector, both copyright and trademark. Ironically, the first such State anti-piracy office – that in São Paulo – is currently enmeshed in investigations of corruption that reach to higher levels and include the arrest of police officers and commanders. Other State-level anti-piracy efforts have arisen on an *ad hoc* basis, including similar police task forces in Goiás and Pernambuco; some prosecutors have also expressed interest in anti-piracy actions as a form of organized crime. Note, however, that these efforts are not initiated by the current Administration, are not federal efforts, are not part of an overall government strategy and are certainly not permanent.

- Brazilian prosecutors pursue very few criminal cases. In those cases that do reach completion, judges issue non-deterrent sentences. Over the last five years, the ratio of convictions to the number of raids run each year is less than 1%. In those few cases that reach judgment, the sentences range primarily small fines, probation and community service. See Appendix. Many of the cases resulted in suspensions or dismissals under Law 9099-95, a law which permits judges to sentence first-time offenders with up to two years' probation and monetary damages. Recent amendments to the Brazilian criminal code and the criminal procedural code are aimed at improving prosecutions and sentencing. However, we do not yet have sufficient information to evaluate how the new criminal code is being implemented by prosecutors and judges, given that the amended law is less than two months old (see further discussion, below).
- Delays in bringing criminal cases in Brazil are the norm, not the exception. Criminal copyright cases can take as long as 2-3 years in the courts of first instance. In other cases, police keep case files in their offices for 7-8 months before forwarding them to the prosecutors. These delays only exacerbate courts' caseloads.
- Border measures remain ineffective. The industries have long recommended that tougher controls at the major transshipment points should be strengthened. Products from Paraguay and those shipped to Brazil's free ports of Santos and Paranagua should be inspected and thoroughly documented. Although much of the music and audiovisual piracy has turned into domestic production, infringing copies of entertainment software (both in silver disc and cartridge format) and misdeclared and infringing blank CD-Rs continue to enter as infringing imports.
- Criminal cases have historically resulted in more defendants in copyright infringement cases being released (via suspended sentences) instead of serving jail time. After years of consideration, the Brazilian Congress recently approved amendments to the Brazilian criminal code and the criminal procedure code to strengthen the criminal penalties available for commercial copyright cases (see discussion below). Although it is too early to evaluate the impact of these amendments on current criminal practice, the industries are hopeful that Brazilian prosecutors and judges will apply this code in all appropriate cases. In fact, the MPA has noted improvements in two areas since the adoption of these amendments: (1) police are more inclined to view piracy as a serious crime worth their time, and (2) suspects apprehended by police are now held until released by a judge, costing the suspect at least time, a bond and perhaps attorney fees. Both these aspects tend to make raids more serious police actions.

Beyond the glaring deficiencies in Brazilian efforts on criminal enforcement, we point out that some success has been reported in the area of civil copyright infringement for business software cases.

However, this must be tempered by the long time it takes to resolve a civil case (there are cases that started more than seven (7) years ago which still have not been terminated) and the fact that the courts require costly expert fees and court bonds.

Recent Developments Taken by Brazil

There have been several recent events taken by the Brazilian government on the anti-piracy front. First, the Brazilian Congress has expressed interest in addressing the piracy problems. In late May 2003, the Chamber of Deputies convened a parliamentary commission to analyze the adverse economic impact of copyright piracy. Starting in mid-June 2003, the Commission on Parliamentary Inquiry (CPI) has held hearings. Many of our associations and their local representatives testified at those hearings. While public attention to the havoc piracy can make on the Brazilian economy, our industries continue to request concrete results in effective criminal anti-piracy actions which lead to a reduction in the high levels of piracy which afflict Brazil.

The CPI, originally set to end its investigation at the end of September 2003, has requested an extension for up to three months. Because this CPI is perceived as effective by Congress, this extension is most likely a certainty. As a result, the CPI will continue its investigation before sending its report to President Lula. That report is expected to be critical of the Administration's lack of concrete action against piracy and will hopefully make specific recommendations to the Ministry of Justice regarding action by the Secretaria de Seguraca Publica in establishing federal task forces, both geographic and territorial, establishing an anti-piracy coordinator at each State office, establishing formal and specific operational coordination with industry and reporting actions/results to the follow-up Congressional Committee on Piracy. The IMC might be ignored. Additional recommendations may also be made to other agencies.

One of the more positive developments of this CPI involves the efforts to create a permanent congressional presence (political and physical) in the form of a non-partisan Anti-Piracy and Anti-Tax Evasion Parliamentary Movement (*Frente Parlamentar de Combate a pirataria e à Sonegação*). This Congressional Committee on Piracy movement was launched in the first week of September 2003. It is comprised of members of Congress (110 members have indicated interest in participating although local reports estimate that the core group will be 10 to 12 members), with a formal leadership group. We are told that this committee will make permanent the current work of the CPI. Although most such Congressional Committees are "virtual," this Committee will have a permanent office and staff. Significantly, the initial indication is that this Congressional Committee will be run operationally by the private sector via a Secretary chosen by and paid by industry. As such, there appears to be some optimism that this committee will continue to press the Administration for enforcement, will follow up its recommendations and will continue to investigate corruption and important cases. We understand this Committee will most likely begin its activities after the CPI concludes, which likely means starting-up in the December 2003 or January 2004 timeframe.

Second, the Brazilian criminal code was amended on July 1, 2003, to increase criminal sanctions for copyright infringement and amend certain procedures. Effective August 1, 2003, new Law 10695 amends Article 184 of the Criminal Code by raising the minimum penalty from one year to two years in prison for persons convicted of illegally reproducing, distributing, renting, selling, acquiring, smuggling into the country, or storing protected copyright works with the intent to profit from reproductions. A fine will also apply in addition to the prison sentence.⁶ The maximum penalty will apply if the violation

⁶ The law changes the "unit" of fines and bonds from "daily salary" units to "monthly minimum wage" units. In other words, the minimum fine or bond is now 240 Reais (US\$82) instead of 1/30th of that. The judge sets the fine/bond, not the law. The

involves supplying unauthorized works to the public via cable, optic fiber, satellite, airwaves or any other method of transmission for a profit. Those persons infringing copyright without intent to profit are subject to detention of three months to one year or a fine. These amendments are significant because penalties of one year or less of jail time, at the state level, could be commuted to a fine, or a judge could suspend a case indefinitely (Law 9099-95). This suspension has been a historical problem in generating deterrence in the Brazilian criminal system. The amended law also codifies procedures to seize and destroy contraband and provides judges authority to dispose of seized equipment in a way that ensures it will not be used for commercial purpose.

It is too early to tell how Brazilian prosecutors and courts will implement these amendments into their criminal practice. Suspensions in copyright cases have been the norm, thus contributing to the lack of effective deterrence against copyright piracy in Brazil. The industries are working with prosecutors to enforce the amendments. The recording industry reports that thus far they have not experienced any major obstacles regarding the deposit of seized merchandise; official experts continue working with samples of the seized goods. The amendments affecting experts' determination is also positive in that it allows a single private party with technical knowledge to make a determination; such a determination, therefore, could be made by an industry expert. In the same vein, MPAA reports that the law is helpful in that it requires the judge to assign custody of the evidence to the injured party. In the past, judges have turned evidence over to suspects who have in turn altered the evidence in ways prejudicial to MPAA's case.

The business software industry has expressed some concern over the recent criminal code amendment in that it fails to increase sanctions for the infringement of computer programs because the one-year sanction for computer software infringement still appears in the separate 1998 Software Law, unchanged by the amendments to the Criminal Code. The software industry can only use the criminal code amendments to the extent those sections do not conflict with existing law. This means that the procedural provisions regarding the expert reports and the custodial aspects of evidence in the criminal code can be used by the software industry. However, the minimum penalty of the separate Software Law (one year) was maintained unchanged, which means that the criminal infringement cases brought by the software industry will still be subject to automatic suspension under Law 9099-95.

Finally, we report that neither President Lula nor his Cabinet ministers (Culture or Justice) nor his IMC have gone beyond limited rhetorical acknowledgement of the piracy problem affecting Brazil. While the Brazilian government can present some positive movement against piracy, such improvement comes from institutions and individuals acting outside the Administration's efforts. Neither the CPI, nor the State-level task forces and organized crime investigations, nor the municipal efforts to attack piracy, are due in any manner to the Administration's efforts. In fact, the lack of participation by the Lula Administration presents a real danger that the efforts of members of the Brazilian Congress and the efforts of a few law enforcement individuals will continue to receive nothing more than rhetorical support and will never reach the level of effective action that only federal coordination and support can bring.

III. Estimated Trade Losses Due to Copyright Piracy in Brazil

Below is a chart tracking the estimated trade losses due to copyright piracy and their estimated piracy levels in Brazil. Data for this chart is provided to IIPA by its member associations, and the

maximum penalty continues to be four years in jail. In a recent MPA case, the judge set the bond at 4,800 Reais (US\$1,644), the highest amount MPA has seen.

methodology is basically the same as that used when we filed our 2000 petition.⁷ Note that the estimated 2002 losses of \$715 million likely underestimate total losses due to the severe fiscal decline of the Brazilian economy last year.

BRAZIL
ESTIMATED TRADE LOSSES DUE TO PIRACY (in millions of U.S. dollars)
and LEVELS OF PIRACY: 1998 – 2002

INDUSTRY	2002		2001		2000		1999		1998	
	Loss	Level	Loss	Level	Loss	Level	Loss	Level	Loss	Level
Motion Pictures	120.0	35%	120.0	33%	120.0	33%	120.0	35%	125.0	40%
Records & Music ⁸	320.4	53%	302.0	55% MC99% CD47%	300.0	53% MC98% CD35%	300.0	MC95% CD35%	290.0	MC95% CD30%
Business Software Applications ⁹	260.8	55%	272.3	56%	264.1	58%	319.3	58%	298.8	61%
Entertainment Software	NA	NA	NA	99%	248.2	94%	116.2	90%	103.2	89%
Books	14.0	NA	14.0	NA	18.0	NA	18.0	NA	20.0	NA
TOTALS	715.2		708.3		950.3		873.5		837.0	

IV. Conclusion

The Brazilian government continues to fail to provide “adequate and effective protection” for U.S. copyrights, as required by the GSP trade program.

Criminal enforcement by Brazilian authorities to-date has failed to deter copyright piracy. Piracy levels remain high across all copyright sectors, with no effective deterrence achieved since IIPA’s GSP petition was filed three years ago. While there have been sparks of welcome cooperation between certain Brazilian authorities and the industries, positive, consistent and systemic anti-piracy results by the Brazilian government are slim. The initiation of a concerted, national plan to tackle copyright piracy that achieves tangible results is necessary and long overdue.

Brazil has been on notice for years that it must take appropriate action to meet its “part of the bargain” in receiving these unilateral trade benefits. Brazil simply has not met its part of the bargain. The potential penalty facing Brazil is the loss of its GSP benefits and/or the suspension of its GSP beneficiary country status.

⁷ The methodology used by IIPA member associations for these statistics is posted on the IIPA website at www.iipa.com/pdf/2003spec301methodology.pdf.

⁸ RIAA reports that the recording industry’s piracy rates for 2000-2002 reflect piracy of both CD and audiocassette (MC) formats. For example, the 55% piracy level estimate for 2001 reflects an amalgamated rate of a 99% audiocassette piracy level and a 47% music CD piracy level in Brazil.

⁹ In IIPA’s February 2003 Special 301 filing, BSA indicated that its 2002 business software industry estimates of \$317.0 million at 55% were preliminary. BSA finalized its 2002 numbers in mid-2003, and the revised loss number is reflected above. BSA’s trade loss estimates reported above represent losses due to piracy which affect only U.S. computer software publishers in Brazil, and differ from BSA’s trade loss numbers released separately in its annual global piracy study which reflect losses to (a) all software publishers in Brazil (including U.S. publishers) and (b) losses to local distributors and retailers in Brazil. With respect to this latter statistic, the BSA reported \$395.7 million in estimated retail software piracy in Brazil in 2002 in its Eighth Annual BSA Global Software Piracy Study, (released June 3, 2003), available at http://global.bsa.org/globalstudy/2003_GSPS.pdf.

Respectfully submitted,

International Intellectual Property Alliance

APPENDIX

BRAZIL CRIMINAL COPYRIGHT ENFORCEMENT STATISTICS 1998 to MID-2003

ACTIONS	RECORDING INDUSTRY	MOTION PICTURE INDUSTRY	BUSINESS SOFTWARE INDUSTRY	TOTALS
	1998 (1999) [2000] {2001} -2002- 2003*	1998 (1999) [2000] {2001} -2002- 2003*	1998 (1999) [2000] {2001} -2002- 2003*	1998 (1999) [2000] {2001} -2002- 2003*
Number of complaints filed with police	530 (409) [724] {577} -412- 77	1,320 (832) [1,957] {1,750} -- 1,825 - 1,584	34 (118) [134] {273} -253- 351	1,884 (1,359) [2,815] {2,600} -2,490- 2,012
Number of raids conducted	680 (777) [724] {577} -870- 484	2,381 (1,671) [1,535] {1,354} -- 1,640 - 1,187	34 (118) [134] {273} -253- 175	3,095 (2,566) [2,393] {2,204} -2,763- 1,846
Number of pirate copies seized	2.85 million (2.86 million) [4.63 million] {3.4 million} -4.1 million- 2.48 million	243,581 (212,063) [220,878] {225,785} -253,805 VHS, 56,037 OD- 186,622 VHS, 79,483 OD	NA (NA) [212,898] {351,944} -355,156- 574,341	+3.09 million (+3.07 million) [5.06 million] {3.97 million} -4.76 million- 3.32 million
Number of cases suspended or dismissed	NA (18) [131] {NA} -29- 64	148 (235) [146] {87} -144- 20	(0) (0) [0] {0} -0- 0	+148 (253) [277] {NA} -173- 84
Number of defendants convicted (including guilty pleas)	5 (3) [9] {NA} -8- 2	1 (0) [2] {13} -13- 12	0 (1) [0] {0} -0- 0	6 (4) [11] {NA} -21- 14

ACTIONS	RECORDING INDUSTRY	MOTION PICTURE INDUSTRY	BUSINESS SOFTWARE INDUSTRY	TOTALS
	1998 (1999) [2000] {2001} -2002- 2003*	1998 (1999) [2000] {2001} -2002- 2003*	1998 (1999) [2000] {2001} -2002- 2003*	1998 (1999) [2000] {2001} -2002- 2003
Criminal sentence issued	Minimal fines (1-year jail term, commuted to small minimal fines) [sentences commuted to small fines - \$260] {NA} -8- N/A	Community service (None) [Community service] {up to 2 years, all given probation} - community service, probation - 6 months' probation	None (2 years' probation plus fine <\$600) [None] {None} -None- None	Minimal (Minimal) [Minimal] {Minimal} -Minimal- Minimal
Ratio of convictions to the number of raids conducted	0.7% (0.8%) [1.2%] {NA} -.9%- 0.4%	0.04% (0%) [0.09%] {--} -1%- 0.66%	0% (0.8%) [0%] {0%} -0%- 0%	0.19% (0.16%) [0.46%] {NA} -0.76%- 0.76%

Notes:

- Statistics in this chart are provided by IFPI Latin America (IFPI), the Motion Picture Association (MPA), and the Business Software Alliance (BSA).
- The suspensions or dismissals cited above are the result of judicial decisions under Law 9099-95, which permits judges to sentence first-time offenders with up to two years' probation and monetary damages.
- The 2003 motion picture statistics cover the January-August 2003 timeframe.
The 2003 recording industry statistics cover the January-June 2003 timeframe.
The 2003 business software industry statistics cover the January-August 2003 timeframe.
- N/A = Not Available.