

## USTR 2005 "SPECIAL 301" DECISIONS

IIPA 2003-2004 FINAL ESTIMATED TRADE LOSSES DUE TO COPYRIGHT PIRACY

(in millions of U.S. dollars)

and PIRACY LEVELS IN-COUNTRY

### ASIA PACIFIC

|                            | Motion Pictures |              |        |      | Records & Music |              |        |      | Business Software <sup>1</sup> |               |        |      | Entertainment Software <sup>2</sup> |               |        |      | Books        |              | Totals        |               |
|----------------------------|-----------------|--------------|--------|------|-----------------|--------------|--------|------|--------------------------------|---------------|--------|------|-------------------------------------|---------------|--------|------|--------------|--------------|---------------|---------------|
|                            | Losses          |              | Levels |      | Losses          |              | Levels |      | Losses                         |               | Levels |      | Losses                              |               | Levels |      | Loss         | Loss         | Loss          | Loss          |
|                            | 2004            | 2003         | 2004   | 2003 | 2004            | 2003         | 2004   | 2003 | 2004                           | 2003          | 2004   | 2003 | 2004                                | 2003          | 2004   | 2003 | 2004         | 2003         | 2004          | 2003          |
| <b>PRIORITY WATCH LIST</b> |                 |              |        |      |                 |              |        |      |                                |               |        |      |                                     |               |        |      |              |              |               |               |
| India                      | 80.0            | 77.0         | 60%    | 60%  | 67.3            | 6.0          | 50%    | 40%  | 239.0                          | 187.0         | 74%    | 73%  | 59.5                                | 113.3         | 86%    | 84%  | 38.0         | 36.5         | 483.8         | 419.8         |
| Indonesia (OCR)            | 32.0            | 29.0         | 92%    | 92%  | 27.6            | 44.5         | 80%    | 87%  | 100.0                          | 94.0          | 87%    | 88%  | NA                                  | NA            | NA     | NA   | 32.0         | 30.0         | 191.6         | 197.5         |
| Pakistan (GSP)             | 12.0            | 12.0         | NA     | 95%  | 70.0            | 70.0         | 100%   | 100% | 14.0                           | 9.0           | 82%    | 83%  | NA                                  | NA            | NA     | NA   | 52.0         | 44.0         | 148.0         | 135.0         |
| People's Republic of China | 280.0           | 178.0        | 95%    | 95%  | 202.9           | 286.0        | 85%    | 90%  | 1488.0                         | 1787.0        | 90%    | 92%  | 510.0                               | 568.2         | 90%    | 96%  | 50.0         | 40.0         | 2530.9        | 2859.2        |
| Philippines (OCR)          | 33.0            | 33.0         | 85%    | 89%  | 20.0            | 22.2         | 40%    | 40%  | 38.0                           | 33.0          | 71%    | 72%  | NA                                  | NA            | 90%    | 95%  | 48.0         | 45.0         | 139.0         | 133.2         |
| <b>WATCH LIST</b>          |                 |              |        |      |                 |              |        |      |                                |               |        |      |                                     |               |        |      |              |              |               |               |
| Malaysia                   | 36.0            | 38.0         | 50%    | 50%  | 55.5            | 40.0         | 52%    | 45%  | 73.0                           | 77.0          | 61%    | 63%  | 12.9                                | NA            | 91%    | 90%  | 10.0         | 9.0          | 187.4         | 164.0         |
| South Korea                | 40.0            | 40.0         | 20%    | 20%  | 2.3             | 3.5          | 16%    | 20%  | 276.0                          | 275.0         | 46%    | 48%  | 349.0                               | 248.4         | 43%    | 36%  | 42.0         | 38.0         | 709.3         | 604.9         |
| Taiwan                     | 40.0            | 42.0         | 40%    | 44%  | 49.4            | 58.0         | 36%    | 42%  | 88.0                           | 83.0          | 43%    | 43%  | 123.0                               | 261.8         | 63%    | 42%  | 20.0         | 20.0         | 320.4         | 464.8         |
| Thailand                   | 30.0            | 28.0         | 60%    | 60%  | 24.9            | 26.8         | 45%    | 41%  | 100.0                          | 84.0          | 79%    | 80%  | NA                                  | NA            | 76%    | 82%  | 30.0         | 28.0         | 184.9         | 166.8         |
| Vietnam                    | 10.0            | 7.0          | NA     | 100% | NA              | NA           | NA     | NA   | 30.0                           | 24.0          | 92%    | 92%  | NA                                  | NA            | NA     | NA   | 16.0         | 12.0         | 56.0          | 43.0          |
| <b>TOTALS</b>              | <b>593.0</b>    | <b>484.0</b> |        |      | <b>519.9</b>    | <b>557.0</b> |        |      | <b>2446.0</b>                  | <b>2653.0</b> |        |      | <b>1054.4</b>                       | <b>1191.7</b> |        |      | <b>338.0</b> | <b>302.5</b> | <b>4951.3</b> | <b>5188.2</b> |

Endnotes:

<sup>1</sup> BSA's 2004 piracy statistics were preliminary at the time of IIPA's February 11, 2005 Special 301 filing. These numbers have now been revised and final losses and piracy levels are reflected above. BSA's 2004 statistics reflect the U.S. publishers' share of software piracy losses in each country. These figures follow the methodology found in the BSA/IDC July 2004 Global Software Piracy Study, and cover, in addition to business applications software, computer applications such as operating systems, consumer applications such as PC gaming, personal finance, and reference software.

<sup>2</sup>ESA's reported dollar figures reflect the value of pirate product present in the marketplace as distinguished from definitive industry "losses." The methodology used by the ESA is further described in Appendix B of IIPA's 2005 Special 301 report which can be found on IIPA's website at <http://www.iipa.com/pdf/2005spec301methodology.pdf>.

"GSP" means that the U.S. government is reviewing this country's IPR practices under the Generalized System of Preferences trade program.

"OCR" means out-of-cycle review to be conducted by USTR.