

ONLINE COPYRIGHT INFRINGEMENT IN THE EUROPEAN UNION TITLE-LEVEL STUDY: FILM, MUSIC AND TV



EUIPO PROJECT TEAM

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EXECUTIVE SUMMARY

This report is based on an analysis of the 30 most frequently pirated⁽¹⁾ creative works in each of the EU Member States, including 316 films, 500 music artists and 309 TV series⁽²⁾. The data on consumption of pirated content was purchased from MUSO, a leading commercial provider of such data, while the data on legal consumption of film (as measured by the number of admissions to theatres) was obtained from the European Audiovisual Observatory's Lumiere database. For music and TV series, such data is not available at the title and artist level. For this reason, the analysis in this report is more extensive for film than for music and television.

Piracy mainly affects creative works recently produced and released. In the case of film, two piracy patterns appear. Firstly, piracy follows commercial success. Therefore, it is suffered mainly by films that were commercially successful in cinemas and enjoyed wide international distribution. For this reason, piracy is suffered above all by US productions (84 % of the MUSO list) but also British, French and Italian ones. Piracy of films from these four countries represents 96 % of film piracy in the EU⁽³⁾.

The second pattern affects films that were successful in the producing country and that did not enjoy a wide international distribution. In this case, most of the piracy occurred in countries where the films were not released⁽⁴⁾. In this case, piracy is much higher than their commercial success⁽⁵⁾. This is the case for films from Canada, Australia, China, Finland, Germany, India and Russia. Piracy of films from these seven countries represents 2.8 % of film piracy and 1.8 % of admissions in EU cinemas. Although the total cumulated piracy of the last group is low, they suffer a relatively higher piracy rate than the more widely distributed films.

The factors behind film piracy were further examined in regression models. This analysis shows that commercial success is associated with higher levels of piracy: when the number of tickets sold increases by 10 %, the number of illegal downloads increases by 3.7 %. The regression analysis also found that, despite the large amount of piracy suffered by US-produced films, holding all other factors constant, they do not suffer greater piracy than films with similar characteristics (such as commercial success, genre, production year) produced elsewhere.

Piracy was concentrated in new releases. Thus, holding other factors constant, films produced before 2017 suffered 58 % less piracy than 2017 productions. Animated and documentary films suffer 49 % less piracy than 'live action'⁽⁶⁾ films. Finally, films produced domestically suffer 37 % less piracy in the country of production, again, holding other factors constant.

⁽¹⁾ The term 'piracy' strictly speaking refers to the distribution of content that violates copyright. The present report is concerned with the consumption of such content. However, as shorthand, 'piracy' is also used here to refer to such consumption of illicit content.

⁽²⁾ The list included additional creative works (or artists) but some of the less pirated works were eliminated due to data quality issues.

⁽³⁾ During 2018, the UK was still a Member State of the EU and is therefore included in the analysis.

⁽⁴⁾ See **Error! Reference source not found.**

⁽⁵⁾ With the exception of Spanish films; possible reasons are discussed in Chapter **Error! Reference source not found. Error! Reference source not found.**

⁽⁶⁾ Live action denotes non-animated, non-documentary films.

In short, film piracy targets mainly commercially successful mainstream films. Looking at the tastes of consumers of pirated content across the EU, it seems that there is a high degree of homogeneity, with the list of the top 30 most pirated film in each Member State quite similar to the top 30 list for the EU as a whole. This is less so for TV series and especially music, where the tastes among consumers of pirated content vary significantly across the Member States. Specifically, on average, 21 of the top 30 films in each Member State were also in the EU top 30 list, while the corresponding figure for TV series was 19 and that for music 16.

TV series are the most frequently pirated creative works but the relationship between piracy and popularity of the corresponding legal content is more difficult to ascertain; of the 30 most pirated television series, only five are among the 30 most popular according to IMDb⁽⁷⁾. During the period January-September 2018, 435 million episodes of the most pirated TV series (The Walking Dead) were illegally downloaded, compared to 45 million downloads of the most pirated film (Justice League).

In music, there is also a relationship between commercial success and piracy, although with a delay: many of the best-selling musicians of 2017 were the most pirated artists in 2018. The overall level of piracy is lower for music than for the other two types of content. The most pirated musician (Ed Sheeran) suffered 7.5 million illegal downloads⁽⁸⁾.

⁽⁷⁾ IMDb is a popular and authoritative source of information on films, TV and celebrities. One of the services provided is MOVIEmeter, a measure of popularity of films and TV shows. However, the relationship between the IMDb score and commercial success is not necessarily one-to-one.

⁽⁸⁾ However, the relationship between the levels of piracy of films, TV series and Music must be considered critically since they are not homogenous creative works.