

CASBAA leads raids on renegade cable operators

By **Simon Twiston Davies**, Chief Executive Officer (CEO) of CASBAA.



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The Cable and Satellite Broadcasting Association of Asia (CASBAA) has launched an intensive enforcement campaign against Philippines pirate pay-Television (pay-TV) pirate operators, starting with police raids on cable companies in Mindanao on 21 September, and in Metro Manila on 23 and 26 September.

"This is the first of a series of high-impact actions the industry is taking to highlight the seriousness of cable signal theft in the Philippines, especially for legitimate, law-abiding Filipino cable and satellite TV operators," said CASBAA Chief Executive Officer (CEO), Simon Twiston Davies.

CASBAA is an industry-based advocacy group that promotes pay-TV services via cable, satellite, broadband and wireless video networks across the Asia-Pacific region.

The recent CASBAA-instigated raids on renegade cable operators were undertaken in co-operation with the National Bureau of Investigation of the Philippines (NBI).

CASBAA said it had been conducting surveillance of the target companies for several months taking note of the re-transmission of pay-TV programming which had not been authorised by the channel providers or their legitimate distributors in the Philippines.

"In many cases unscrupulous operators steal the pay-TV signals and resell them for significant profit," said Twiston Davies. "Our data shows aggregated industry losses in the Philippines for 2004 of US\$70 million and preliminary estimates for 2005 suggest that this figure has increased significantly.

CASBAA data showed 880,000 legitimate and 650,000 illegitimate cable and satellite TV subscribers in the Philippines in 2004. For 2005 the problem would appear to have worsened with an increase in the number of illegal cable connections and a drop in the number of legitimate subscriptions.

"These are frightening numbers," said Twiston Davies, "because they are deteriorating year after year. And do not forget that these figures do not fully represent a big hole in government revenues in terms of forgone license fees and taxes. Last year that was already as high as \$38 million."

For the recent raids, acting under search warrants, the NBI operatives raided and confiscated equipment in Cotabato City and Butuan that was being used for unauthorized pay-TV signal use and distribution. The raids on September 23 and 26 were in Pasig City, Taytay, Rizal and Alaminos, Laguna.

CASBAA noted that the target cable companies were stealing popular cable television channels such as CNN International, AXN, Cartoon Network, Discovery Channel, Disney Channel, ESPN, STAR Sports, STAR Movies, STAR World, HBO, MTV and National Geographic Channel. Twiston Davies said this is not just about protecting the intellectual property rights of international broadcasters, but about the development of a thriving domestic industry currently undermined by unbridled signal theft.

"We hope that the Philippines authorities will take note of the seriousness of this problem," he said. "Criminal charges and high-profile raids could be avoided by giving a clear mandate to the National Telecommunications Commission (NTC) to take appropriate administrative actions to

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Thai Department of IP examines pay-TV piracy with CASBAA

The Royal Thai Government's Department of Intellectual Property (DIP) and regional pay-TV industry body, the Cable & Satellite Broadcasting Association of Asia (CASBAA), yesterday staged a high-level workshop on Intellectual Property Rights protection in Bangkok Thailand.

Opened by Boonaris Suwanapool, Deputy Director General of the DIP and co-hosted by Simon Twiston Davies, the Chief Executive Officer (CEO) of CASBAA, the one-day forum attracted speakers from the US, Europe, Hong Kong and Singapore.

Invited delegates included Thai IP Court officials, officials from the Attorney General's office, the Royal Thai Police, the Department of Customs and other officials and industry executives with responsibility for creating and enforcing vital intellectual property rights within Thailand.

Those presenting at the seminar included senior executives drawn from broadcasters Time Warner and ESPN STAR Sports, European security firm Irdeto, the Motion Picture Association of America (representing the seven major Hollywood studios), global Intellectual Property Rights legal experts, Herbert Smith and CASBAA (representing 110 pay-TV related companies operating in the Asia Pacific).

"One issue highlighted during today's forum was that while Asia's pay-TV market is growing rapidly, and making substantial economic contributions, Thailand hasn't been benefiting as much as it should," said Mr Twiston Davies. "The meeting was in general agreement that this can change with newly pro-active approaches."

Meanwhile, it was claimed that among middle-income Asian countries Thailand remains the market with the worst piracy problem. Three out of every four households connected to Thai pay-TV systems are estimated to be tapping into pirated pay-TV programming. "In the end, this damages everyone's interests because every level of the value chain is a victim of theft," said Twiston Davies.

According to industry estimates, the cost of piracy to the community in Thailand is high – to the industry and to the government, which loses at least 2.5 billion baht in taxes, fees and revenues every year, with the problem growing at a rate of about 20 per cent per year.

Speakers at the seminar generally agreed that while Thailand has made some incremental strides in the battle against Intellectual Property Rights theft there is need to create a modern, competitive industry, regulated on a level playing field.

Participants in the seminar looked forward to more effective law enforcement and increasingly severe penalties for pirate cable operators.

"The development of effective regulatory agencies will hugely benefit Thailand, a country with proven media sophistication and clear economic achievements," said Twiston Davies.

"It's great to have so many of the stakeholders in Thailand's pay-TV industry working together at a seminar like this," said Marcel Fenez, Chairman, CASBAA. "With the support of the likes of the Department of Intellectual Property and representatives of the IP courts standing shoulder-to-shoulder with the legitimate industry, progress has been made today." ■

oblige current illegal operators to 'go legit'," said Twiston Davies. CASBAA is working closely with players in the local industry who use legitimate programming and government agencies such as the NTC and the Department of Trade and Industry (DTI) – Intellectual Property Office to curb signal theft. In pursuit of the Association's agenda CASBAA recently staged a semi-

nar in Bangkok with the Thai Department of Intellectual Property and supported a series of technical principles to protect content output from digital set-top boxes (see box in this article). ■

At the time of going to press

CASBAA was inaugurating its 2005 Convention. The essential links of the digital value chain were the key topics of this year's CASBAA Convention held on 25-28 October.

"Only with creativity will digital industry players be able to tap into the enormous business opportunities. The CASBAA Convention is an ideal platform for delegates to understand the emerging technologies and market trends as well as building and cultivating peer networks," said Marcel Fenez, Chairman of the Cable and Satellite Broadcasting Association of Asia (CASBAA).

Industry veterans, senior broadcast and studio executives, technology gurus and Asia-Pacific regulators cast light on the digital revolution and addressed the hot issues within multiple market sectors and engine economies including China and India. The CASBAA Convention 2005 was held at the Hong Kong Academy for Performing Arts, the Four Seasons Hotel and the Grand Hyatt Hotel.

About CASBAA

The Cable & Satellite Broadcasting Association of Asia is an industry-based advocacy group dedicated to the promotion of multi-channel television via cable, satellite, broadband and wireless video networks across the Asia-Pacific. CASBAA represents some 120 Asia-based corporations, which in turn serve more than three billion people. Member organisations include ABC Asia Pacific, Sky News Australia, Two Way TV, ASTRO, Bloomberg Television, Discovery Networks Asia, EMC, HBO Asia, AETN (The History Channel), IBM, MTV Networks Asia Pacific, Nokia, now Broadband TV, PricewaterhouseCoopers, Sony Pictures Television International, STAR Group, Sun Microsystems, Turner International Asia Pacific, UBC, Walt Disney Television International, ABN AMRO, Anytime, AsiaSat, BBC Prime, BBC World, Channel News Asia, CNBC, Freshfields, HSBC, Irdeto Access, Loral Skynet, Mindshare, National Geographic Channel, Time Warner and TOM Group. ■