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“Chairman Fang, members of the Panel, on behalf of Warner Bros I thank you once again for your invitation to speak in this important meeting and all the supports you have shown to the creative industry. Our company is a global leader in the production and distribution of motion pictures, television contents and recently we have expanded into the market of computer games. Locally, other than distributing our products through different channels to a high level of consumer satisfaction, we have been actively investing in the production and distribution of Chinese films through partnerships with producers from Hong Kong and the greater China region since 2003.

We're delighted to see some our industry's recommendations are being included in the current “Proposals”, and we once again urge the Hong Kong Government to take decisive steps in passing legislative changes that will give adequate protection to our industry at an age where new means of online copyright infringements are constantly advancing. They are threatening the very core of legitimate distribution models and presenting enormous challenges to content creators like ourselves.

We're however disappointed that the government has decided to drop graduated response in this round of discussion. We're disappointed by this all-or-nothing approach in which the current “Proposals” does not make any distinction between internet access and merely using certain types of services such as information storage or information location. By omitting graduated response completely at this stage will weaken the proposed Code of Practice as a tool for education and enforcement even before it's being drafted. From our experiences in other markets, graduated response can substantially discourage repeated and active infringements committed by online users through education, and at the same time encourage cooperation between online service providers and right owners.

Likewise, our other recommendations have already taken into account the importance of customer rights and interests of the online industry; they are also based on equitable and tested principles that have also already been implemented by many governments in the region. Without these changes, our industry will become increasingly helpless in protecting copyright in the online environment.

With a large global team of dedicated professionals, Warner Bros has spent a lot of resources on monitoring online infringing activities; we're constantly seeking ways to work with as many online service providers as we can to prevent infringements and we will assist local enforcement agencies in taking appropriate enforcement actions when our rights are being infringed. We pride ourselves on being a trusted partner to law-enforcement officers in many territories, including the Hong Kong Customs. However, all those efforts will not make any difference if proper legal protection is not given to our industry, or when adequate enforcement powers are not given to the Customs. We therefore urge the Panel to address our concerns of an online environment that will grow even more hostile to copyright owners if we're left without adequate legal protections.

Hong Kong has long provided a very nurturing environment for the creative industry, and our credible success is for the whole world to see. However, we must agree that new ways of thinking that can bring about new legal tools for online copyright enforcement are badly needed right now. Our laws are in need of urgent amendments to not just catch up with new technologies but to also anticipate their possible impacts.

We believe our government is forward-thinking and very supportive to the creative industry, and we wish to continue to have the opportunity to share our views and experiences with the Panel during this legislative process.