

May 11, 2012

The Honorable Members of the Legislative Council Legislative Council Legislative Council Complex 1 Legislative Road Central Hong Kong

Dear Legislative Counsel Members,

The Entertainment Software Association ("ESA") is the U.S. association exclusively dedicated to serving the business and public affairs needs of companies that publish computer and video games for video game consoles, personal computers, and the Internet. ESA members represent some of the world's leading entertainment software publishers whose releases account for a majority of the game software products sold in most countries around the world. We write to you today to express our concern about news that the Legislative Council may postpone consideration of the Copyright (Amendment) Bill 2011 until after the upcoming legislative elections in September.

As you are undoubtedly aware, the Commerce and Economic Development Bureau ("CEDB") has for the past several years conducted extensive public consultations on the proposed measures. Indeed, we are thankful for the transparent and fair manner in which CEDB has conducted outreach. The collaborative review process provided multiple opportunities for those with concerns with the Bill to provide their input. We are therefore distressed by news that a second reading in the Legislative Council has been postponed to facilitate processing of amendments that appear to have been raised to disrupt forward progress on a Bill that is fundamentally sound and complete.

Passage of the Copyright (Amendment) Bill 2011 is needed in order to modernize existing law and ensure that rights holders' works are adequately protected in the online environment. It would perpetuate harm to our and similarly situated industries to delay passage of needed amendments past the end of the current legislative term. Although we have no reservations in principle over an appropriately tailored fair dealing exception for parody and satire, such a provision should be given the similar care and consideration to what the Copyright (Amendment) Bill 2011 has received. We urge Honorable Members of the Legislative Council to resume consideration of the Copyright (Amendment) Bill 2011 forthwith, and to separately consider the introduction of a fair dealing exception for parody and satire soon after the passage of the copyright amendments.

Thank you for the opportunity to provide our perspectives. Should you have any questions or wish to contact us regarding this matter, please feel free to contact Ms Brenda Lui of Hogan Lovells on (852) 2219 0888 or brenda.lui@hoganlovells.com.

Yours faithfully,

Stevan D. Mitchell

Vice President, Intellectual Property Policy