



CABLE NEWS INTERNATIONAL, INC.

17 October 2014

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Clerk to Bills Committee on Copyright (Amendment) Bill 2014
Legislative Council Secretariat
Legislative Council Complex
1 Legislative Council Road
Central, Hong Kong

Attn: Miss Mandy LAM

Dear Miss Lam

Submission on the Copyright (Amendment) Bill 2014

We write in response to the Bills Committee's request for submissions on the proposed Copyright (Amendment) Bill 2014 (*the Bill*). On behalf of Cable News International, Inc., we are pleased to be given the opportunity to provide comments on the Bill.

Cable News International, Inc. operates *CNN International* - the world's leading international news brand with significant global reach through distribution of its channel and its strong online presence. The Asia Pacific regional bureau for *CNN International* has been based in Hong Kong since 1995 and the channel is distributed throughout the region by Cable News International, Inc.'s affiliate, Turner Broadcasting System Asia Pacific, Inc.

As technological advances and convergence are altering the traditional media industry, the development of online alternatives for delivery of digital content provides a new set of opportunities and challenges for media companies. Cable News International, Inc. sees the delivery of content using digital platforms as an important avenue of distribution, which supports our ability to deliver detailed reporting from all corners of the world quickly and connect with consumers on TV, mobile, digital and social platforms, to satisfy consumer demand. However, the rampant growth of online piracy is a significant and tremendously difficult challenge faced by the entire media industry. For the television industry in particular, unauthorized real-time streaming has become a serious challenge.

With pirated television program streams readily available online for free, consumers are becoming less willing to pay a fair price for programming, and legitimate content distributors face unfair competition from platforms and online services that provide and facilitate access to pirated content with little or no investment in content or infrastructure. Declining revenues puts increasing pressure on *CNN International*'s ability to cover and report big news stories in the way consumers demand. There is no time to lose in implementing solutions. While online piracy is undoubtedly a global challenge, as a result of Hong Kong's inadequate copyright laws which



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have not kept up with the growth of both the digital content and digital transmission industries, the problem of online piracy is exacerbated in Hong Kong.

Amendments to bring Hong Kong's copyright laws into conformity with the multilateral treaties made under the World Intellectual Property Organization (WIPO), more specifically, the introduction of a technology neutral right for copyright owners to help protect the electronic communication of their works, are long overdue. The ten year delay in formulating and passing the necessary amendments to Hong Kong's copyright laws has resulted in the growth of online piracy problems far beyond the expectations of those who began this copyright review process over ten years ago, including both government and industry. Passage of the Bill is a small initial step toward modernizing Hong Kong's legal and enforcement regimes.

Our concerns on Hong Kong's current copyright laws are not unique to us and it is notable that Hong Kong is increasingly falling behind nations that were formerly its peers in creating a positive environment for intellectual property. Other governments (such as in the UK, Korea and Singapore) have sought, and implemented, creative approaches to deal with streaming piracy.

While we appreciate the spirit of openness displayed by the Bills Committee towards dealing with technological developments and online piracy challenges and are grateful for this opportunity to give our view of the situation to the Bills Committee, we urge the Bills Committee to support the enactment of the Bill as soon as possible, as a first step toward modernizing Hong Kong's copyright laws.

Yours faithfully

A handwritten signature in blue ink, appearing to be "J. M. M.", is written over a horizontal line.

Cable News International, Inc.

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