Music industry in 8,000 new file-share lawsuits
Tue Oct 17, 2006 8:55 AM ET

By Kate Holton

LONDON (Reuters) - The music industry has launched a fresh wave of 8,000 lawsuits against alleged file-sharers around the world, escalating its drive to stamp out online piracy and encourage the use of legal download services.

The International Federation of the Phonographic Industry (IFPI), which represents the world's music companies, said on Tuesday the new cases were brought in 17 countries, including the first ones ever in Brazil, Mexico and Poland.

The trade group said more than 1 billion music tracks were illegally downloaded last year in Brazil, the largest market in Latin America. Record company revenue has nearly halved in Brazil since 2000, IFPI said.

IFPI has said some 20 billion songs were illegally downloaded worldwide last year.

The industry has now filed about 18,000 lawsuits in the United States, the largest market for music sales, and 13,000 in the rest of the world.

The legal proceedings involve both criminal and civil suits and are aimed at "uploaders" -- people who put copyrighted songs onto Internet file-sharing networks to offer to music fans without permission.

The IFPI said many of those targeted for legal action were parents whose children had been illegally file-sharing. Others facing law suits included a laboratory assistant in Finland and a German parson.

The group added that more than 2,300 people had already settled their case for illegally file-sharing copyrighted material with an average payout of 2,420 euros ($3,034).

John Kennedy, chairman and chief executive of IFPI, told Reuters in an interview he was encouraged by the group's progress, although he said the fight against online piracy would be an ongoing battle.

"It's not getting easier but we are encouraged enough by the results to keep on going," he said via the telephone from a trip to Brazil. "It will never go away completely."

He said the success of high-speed broadband was combining with the threat of legal action and fears of computer viruses to encourage more and more users to opt for legal online services.

While the cost of pursuing individual legal cases has been very expensive, he said the music industry had benefited from its settlement of more than $100 million in July this year with long-time antagonist Kazaa, one of the world's best known file-sharing networks.

"It put some money back into the war chest to try to clean up the online world," he said.
"Legal offerings will only thrive and open in different countries if there is a chance of them succeeding."

Legal downloads represent about 11 percent of total music sales, but still do not make up for declining CD sales. Total music sales declined 4 percent in the first half of 2006.

Kennedy said the drive to see digital sales make up for the loss in the physical format was the "holy grail" for the music industry and said he hoped to see it happen by 2007.

© Reuters 2006. All rights reserved. Republication or redistribution of Reuters content, including by caching, framing or similar means, is expressly prohibited without the prior written consent of Reuters. Reuters and the Reuters sphere logo are registered trademarks and trademarks of the Reuters group of companies around the world.

Close This Window