

ASSESSING THE EFFECTS OF DVD PIRACY ON THE LEBANESE FILM
PRODUCTIONS

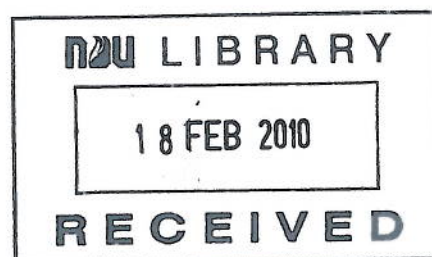
A Thesis
Submitted in partial fulfillment
of the requirements for the degree of
Master of Arts in Media Studies/ Electronic Media

by

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Fall, 2009



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Abstract

The main factor that is pinning down the income of the Lebanese movie is piracy.

Investors are not willing to spend their money in a high risk project if piracy is going to continue affecting negatively the revenues of films.

The growth of the Lebanese cinema is facing many obstacles. The major one is the difficulty to finance a film because financiers do not consider the Lebanese cinema as an industry with potential success. For them, investing in a movie is not a thriving business that makes fast profit or even any profit. A lot of Lebanese movies didn't make it "financially". The producers are still looking for ways to achieve a breakeven in order to produce another film if they are still willing to do it again.

In Lebanon, there is a modest infrastructure for the cinema industry; some entrepreneurs are producing and directing films that, despite their low budget, can compete technically and artistically in the regional and even the European market.

As a result, there is a lack of cinematic productions; only two to three films are produced every year which is considered relatively low if compared to the high professional Lebanese assets in the artistic and technical arenas.

Cases of Lebanese films are discussed with professionals from artistic, business logistics and legal backgrounds. The study examines the negative effects of piracy on the Lebanese cinema productions and the ways it can be limited in order to enhance its prospects.

Keywords: (Piracy, Lebanese cinema productions, financial problems, Intellectual property rights, law implementation)

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I have also been fortunate enough to have the support of several NDU faculty members, staff and friends, particularly my friends Elie el Semaan and Hasan Youness.

I cannot end without thanking my mother and father for their boundless Love; along with my brother Georges, my sisters Lara and Laura for the joyful atmosphere.

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October 27, 2009

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Chapter 1

Introduction

1.1 Introduction and Definitions

"Yo ho, yo ho, a pirate's life for me

We pillage, we plunder, we rifle and loot

Drink up me hearties, yo ho

We kidnap and ravage and don't give a hoot

Drink up me hearties, yo ho"^[1]

Once upon a time, dangerous and scary pirates sailed the seas in search for fame and fortune. Unlike all the childhood heroes who fought for what is right, they were heroic villains who ruled the sea and terrified all who traveled it!

Pirates like Blackbeard, Captain Kidd, Captain Avery, Captain Morgan and others became household names. They were the famous anti-heroes of their time, much like rock stars today. ^[2]

It is said that as long as goods have been transported through the sea, there have been Pirates. Piracy was the outlaw practice of preying on merchant ships and raiding coastal towns for profit. It has been said that a pirate does not "go shopping". Unless by "shopping", you mean "killing". Though this is a joke, it reflects the reality of being a Pirate. A Pirate will not pay for anything he needs, yet will get it for free even if it means

¹ Disneyland's Pirates of the Caribbean Movie(1967)

² www.piratesinfo.com

killing to get it! The primary motives of these pirates are poverty and desperation - the desire to survive. [³]

When looking up the term 'Pirate' in the dictionary, one would find⁴:

1. *One who robs at sea or plunders the land from the sea without commission from a sovereign nation. A ship used for this purpose.*
2. *One who preys on others; a plunderer.*
3. *One who makes use of or reproduces the work of another without authorization.*
4. *One that operates an unlicensed, illegal television or radio station.*

VERB:

pi·rat·ed , pi·rat·ing , pi·rates

VERB: tr.

1. *To attack and rob (a ship at sea).*
2. *To take (something) by piracy.*
3. *To make use of or reproduce (another's work) without authorization.*

After reading the previous introduction, a question arises to the reader's mind:

What does all this have to do with an individual sitting at home watching a DVD?

³ www.piratesinfo.com

⁴ www.onlinedictionary.com

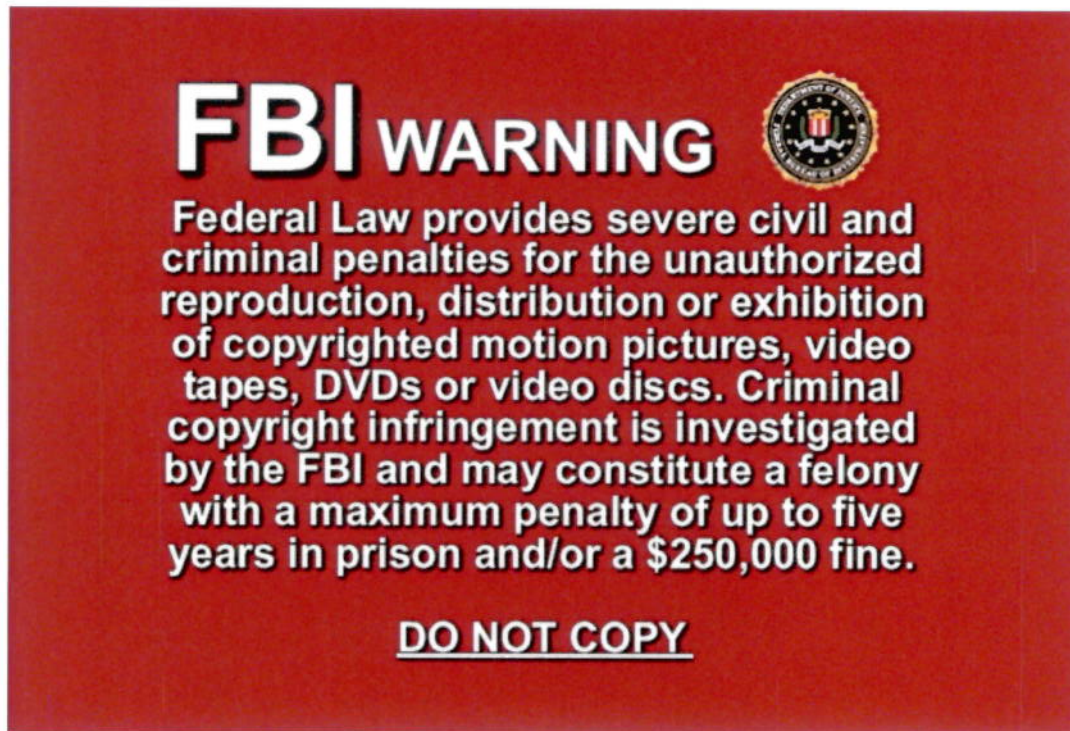


Figure 1: Warning: Do Not Copy⁵

The message in figure 1 appears on the screen in the beginning of a DVD, yet it cannot be skipped to get to the movie. How many times people actually read what this warning says? Or how many times the DVD on which this warning appears is a copy? Or, in technical terms: a pirated DVD.

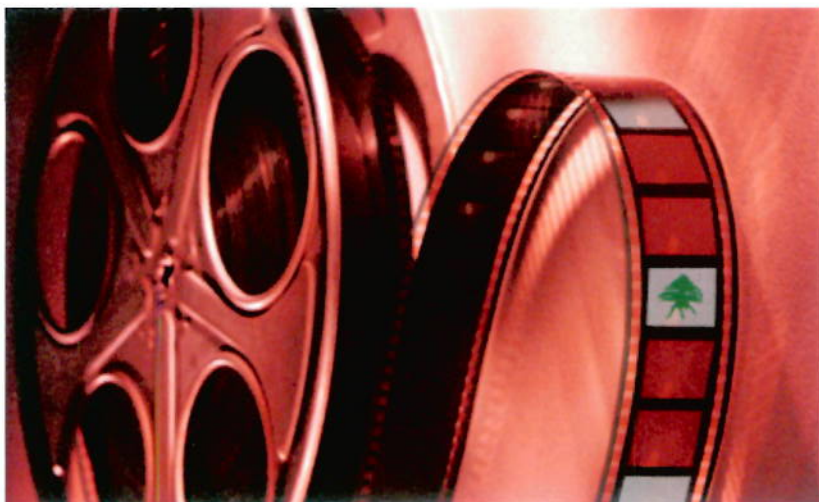
Film pirates are called "pirates of the silver screen".

Film piracy is the illegal copying and distribution of movies in print, videos, DVDs or electronic files. It is not different from stealing. Piracy is committed in many ways, including Internet piracy, copying and distribution of discs, broadcasts, and even public

⁵ unfocusedcontent.com/images/fbi_warning.jpg

screenings⁶. According to the online dictionary⁷ the synonyms of Piracy are: infringement, plagiarism, stealing, or theft.

1.2 The Lebanese Cinema



8

To study the effects of piracy on the Lebanese film industry, it is important to start with a quick review of the industry's history from its early days till present and learn more about the Lebanese cinema. The study goes through the history of Lebanese movies, their public success (Box office) and international recognition in many prestigious festivals.

⁶ www.storyofmovies.org/pdfs/film_piracy_teachers_guide.pdf

⁷ www.dictionary.reference.com

⁸ Anonymous source

Historical Overview of the Lebanese Cinema

The Beginning ⁹: 1929

The first theatres in Lebanon opened in Beirut between 1909 and 1925. Among these “Zahrat Souria”(1909), “Le Crystal”(1923), “Le Cosmographe” and “L’Empire” created by MM. Kattan and Haddad. They mainly screened silent French movies and news reports shot by the French troops and developed in France.

The first Lebanese film, “Moughamarat Elias Mabrouk” (“The Adventures of Elias Mabrouk”), was directed by the Italian Jordano Pidutti in 1929. It was developed in the first Lab in Lebanon established by Pidutti in 1925. The film was not screened in a movie theater in Lebanon until 1932. No copy of the film survives. This was followed by “Moughamarat Abou el Abed” (“The Adventures of Abou el Abed”) in 1931. Both were silent comedies. The talking movies started appearing in Lebanon in the thirties.

The first Lebanese film production company, Lumnar Film Company, was established by Herta Gargour in 1933. It signed a deal with French Pathe Studios to train technicians from Lebanon in France. In 1934, the company produced the first “Talkie” titled “Bayn Hayakel Baalbak” (“Amongst the Temples of Baalbak”). It was the first film entirely produced in an Arab country.

Then Ali al Aris came along. He was the first Lebanese director to make movies like “Baya’at al Wared” (“The Rose Seller”) in 1940, and “Kawkab Amirat al Sahraa” (“The Planet of the Desert Princess”). Copies of both films were destroyed in a fire in 1949.

⁹ Lina Khatib, *Lebanese Cinema: Imagining The Civil War And Beyond*, 2008, I.B.TAURIS & co Ltd, London, p.1-55/Interview with film critic Emile Chahine

The Pioneers: 1950's

The 1950s witnessed the real birth of the Lebanese cinema with cinematographers such as Georges Nasr, Georges Kahi and Michel Haroun.

In 1952, the first fully equipped film studios were established in Lebanon like Studio Haroun and Studio al Arz.

In 1953, Georges Kahi directed "Azab el Damir" ("Remorse") in Literary Arabic¹⁰.

In 1957, Michel Haroun shot his film "Zouhour Hamraa" ("Red Flowers"). Then Georges Nasr Directed "Ila Ayn" ("Whither"), the first Lebanese movie to compete in Cannes International Film Festival in 1958.

The Cinema of the 50's was inspired by the Lebanese way of life, traditions, social context and music. The majority of the movies were shot in Lebanese dialect.

Nevertheless, some films were shot in French, to target the viewers not accustomed to see Arab movies at that time such as Georges Nasr's "Le Petit Etranger" ("The Little Stranger") also presented in Cannes.

The Quasi-Industrialization: 1960's

This period is the golden age of cinema in Lebanon. The sixties were a prosperous period for Lebanon at all Levels. New Studios were created and developed such as "The Near East Sound Studios" of Raymond Aouad, "The Studio Moderne" or "Studio Baalbeck" and "Studio Chammas".

¹⁰ Standardized Arabic vs. colloquial

In the early sixties, The Egyptian Cinema was nationalized by president Jamal Abdul el Nasser and the movies produced at that time were all influenced by the socialist propaganda. Thus, many cinematographers left Egypt and most of them found shelter in Lebanon.

Moreover, many foreign films were shot in Lebanon such as: "Echappement Libre"(1964), starring Jean-Paul Belmondo and Joan Seberg, "Where the Spies Are" (1965) by Val Guest, starring David Niven and Francoise d'Orleac, "La Grande Sauterelle"(1967) by Georges Lautner, Starring Mireille Darc and Hardy Kruger...

Lebanese technicians and actors worked along with the foreign teams.

The production of films increased tremendously. Between 1960 and 1965, 44 films were produced in Lebanon. In 1966, 25 films were produced. Between 1963 and 1970, 100 films were produced 54 of which were in Egyptian dialect.

Lebanon was the main film distribution center for the Middle East: seven American majors and 41 independent companies have opened offices in Beirut. Mohammad Salman directed several movies a year that were sold to several Arab countries after encountering great success with his movie "Marhaban Ayouhal Hobb" ("Hello Love") in 1962.

The Annual Rate of Admission (number of tickets sold a year divided by the total population of the country) went up to 16 in 1961 compared to only 4 in France and below 2 in Egypt the same year. Beirut Cine Club opened in 1957 and became a gathering place for Lebanese intelligentsia. It gave birth in 1964 to the Lebanese Cinémathèque (which was unfortunately destroyed in 1975).

But, unfortunately, if the production increased in quantity, quality did not necessarily get better. The producers at the time were not looking ahead to the future, but were concentrating on making a quick profit and resources were geared mostly towards supporting Egyptian film making on Lebanese land, instead of fostering a local Industry (No vision and lack of strategic planning). Many commercial productions of very low quality were shot in Lebanon. They were often designed for the star casted and were a poor imitation of Egyptian or American movies with no True Lebanese identity whatsoever. However, there were very few serious Lebanese productions in Lebanese dialect like the Rahbani's "Bayyaa' al Khawatem", "Bint al Hares" and "Safar Barlek" as well as Youssef Maa'louf's "The Broken Wings".

In 1961, the first international festival of cinema was held in Beirut. In 1964, The CNC (National Center of Cinematography) was created to coordinate all cinema related initiatives, encourage and boost local productions which gave hope for the young Lebanese directors who wished to create a genuine Lebanese cinema. In the same year (1964), the Lebanese Government established the National Center for Cinema and Television which aimed at providing financial and cultural support for Cinema in Lebanon, and was followed by the establishment of trade unions linked with cinema industry: like producers, distributors and actors who were not recognized by the government until 2009. But that was not enough to have a well based cinema Industry. Even if the sixties was the most active period in the history of the Lebanese cinema, the foundations of a legitimate cinematographic industry were still missing.

The War period: 1975-1990

The civil war started in Lebanon in 1975. It affected negatively all business sectors especially entertainment. It paralyzed all cinema production. The infrastructure was severely damaged and the studios were devastated.

The central district of Beirut was destroyed and it became impossible to access the theaters (concentrated in this region). Theaters continued to open in Hamra, Zouk and Jounieh in spite of the conflict to give access to the new releases. But the local production almost ceased and many cinematographers left the country.

Only few films were shot during the first years of the war. Adding to this, some documentaries about the war were shot and financed by Lebanese or neighboring political groups to testify about the conflict and impose their political views. But in spite of these influences, these productions gave young cinematographers an opportunity to work. Most of these cinematographers had been educated abroad and they longed for conducting feature films after having done documentaries. Co-productions allowed them to reach this objective and succeeded despite all to create a truly Lebanese Identity for their movies. Among those are: Maroun Baghdadi, Georges Chamchoum, Borhan Alawya, Jocelyne Saab, Randa Chahal, Andre Gedeon and others.

In 1978 local commercial productions started again and the success of Soubhi Seifeddine and Youssef Charafeddine initiated a series of action movies.

Post war Period: 1990-2000

From 1990, the situation really got better but not enough to improve the status of the cinema. In fact, by the early nineties, most of the studios in Lebanon suspended their projects. The audiovisual landscape in Lebanon changed as television appeared to be the primary medium in the country.

Lack of funding led young film makers to work mostly with videos not films; still, co-productions were pre-requisite. Many movies dealing with the subject of war were funded by European countries and released at that period such as: Leila Assaf's "al Sheikha"(1994), Jocelyne Saab's "Once Upon a Time, Beirut"(1994), Samir Habchi's "The Tornado" and Jean Claude Kodsi's "A Time had Come"(1994).

Ambitious and risk-taking directors like Philippe Aractinji and Bahij Hjeij directed documentaries shot in video mostly about the war and post war period that have been shown on Televisions.

In the post war period all aspects of filmmaking became the responsibility of individuals.

1998 is a year to remember; the Lebanese cinema entered a renaissance period with "West Beirut"- directed by Ziad Douairy - being one of the films bringing back the Lebanese audience to the cinema. The same year witnessed the release of "Beirut Phantoms" and "Around the Pink House".

Reports on the state of cinema in Lebanon have since oscillated between the negative and positive, between an optimistic view of observers seeing the critical acclaim and ascending viewing figures for the movies released since 1998, and the pessimistic opinion highlighting the problems of the cinema industry in Lebanon that had never been solved.

Lebanese Cinema Today

Lebanese cinema of today made a noteworthy progress. It has been going through a renaissance period over the last 10 years. More Lebanese movies are made and screened in Lebanese theaters. The Lebanese audience is witnessing an evolution of the Lebanese film and is showing more tendencies to watch Lebanese films without a pre-conceived judgment.

The funding of the Lebanese productions remains mostly European (West Beirut, Maison Rose, ZOZO...). But the movies are acquiring a better reputation due to better scripts in social and human issues and straight forward interpretation creating a sense of intimacy with the audience. Examples of this are “Caramel”, “Lamma Hekyit Maryam”, “Bosta” movies that dealt with social and religious taboos. Some Lebanese films are sold on DVD in Beirut and in other parts of the world. Movies like “Under the Bombs” and “Caramel” can be found at a Blockbuster DVD shop in Scotland, Paris or Dubai. Moreover, Film festivals around the world continue to screen Lebanese films such as: Cannes Film Festival screening “Caramel”, Venice Film Festival, Rotterdam Film Festival and Dubai Film Festival screening and praising “Under the Bombs” and other movies.

1.3 Types of Movies and Purpose of Production

There are two common types of Lebanese movies: Commercial films and Film D’auteur.

- A Lebanese commercial film is usually a low budget film that makes easy money in the box offices. It is a light film which guarantees an audience. (Example:

Ghanoujit Baya, Leylit Eid among other commercial movies) and these are not the kind of films to represent the Lebanese cinema nationally and internationally.

However, film critic Emile Chahin believes that people tend to watch this kind of movies only for entertainment and most of the time these movies make good money but they are not qualified to participate in any kind of film festival or to be screened in any foreign country.

- Film D'auteur is a film which is not necessarily a high budget film yet it is a film that targets an elite or cinefile audience. This type of film never guarantees a large audience, but it can be screened worldwide and can participate and win in International film festivals. Examples include: Lama hikyit Maryam, for a low budget film and Caramel and West Beirut for a high budget film, according to Lebanese film Critics standards.

1.4 Public Success and Festivals Recognitions for Lebanese Movies

Despite the fact that Lebanese movies face many difficulties in the production process, their presence in international film festivals is considered frequent and remarkable. Lebanese movies participate in film festivals, compete and win several valuable prizes. For example, the movie "Under the Bombs"2007, by Philippe Aractingi, participated in 21 international film festivals and won 18 prizes.

International Festivals and Lebanese movies participation¹¹

- Cannes International Film Festival

Cannes Film Festival is considered as one of the most prestigious film festivals around the world and the participation in such a festival is very selective and challenging.

The Lebanese films that have been presented in Cannes Film Festival are as follows:¹²

Lebanese Films Presented in Cannes Festival	
1957	"Ila Ayn" by Georges Nasr
1960	"Le Festival de Baalbek" by David Mc Donald
1962	"Le Petit Etranger" by Georges Nasr
1974	"Saat el-Tahrir Dakkat, Barra ya Etsteemar" by Henry Srour
1982	"Houroub Saghira" by Maroun Baghdadi
1985	"Gazl el-Banat" by Jocelyne Saab
1998	"West Beirut" by Ziad Doueiri
2002	"Terra Incognita" by Ghassan Salhab
2007	"Caramel" by Nadine Labaki
2008	"Beirut Open City" by Samir Habshy

Table 1: The Lebanese Films Presented in Cannes Film Festival¹³

- Berlin International film Festival

2003:"The Kite" by Randa Chahal Sabbagh

- Venice Film festival

¹¹ www.imdb.com

¹² The participation of Lebanese movies in international film festivals and awards received are listed in appendix D.

¹³ Lina Khatib, Lebanese Cinema, Imagining The Civil War And Beyond, 2008, I.B.TAURIS & co Ltd, London, p.1-55/ www.imdb.com / www.amazon.com

2004: "The Kite" by Randa Chahal Sabbagh (received le Jury grand Prix and the Silver Lion)

2007: "Under the Bombs" by Philippe Aractinji (Received the Human Rights Prize)

- Montpellier International Film Festival

2001: "Lamma Hekyit Maryam" by Asad Fouladkar (Received Two prizes)

- Dubai International Film Festival

2007: "Under the Bombs" by Philippe Aractinji (Received two prizes: best actress and best movie)

- Sundance Film Festival

2007: "Under the Bombs" by Philippe Aractinji

The complete tables of nominations and awards of successful Lebanese movies for the last ten years are in appendix D.

The significant participation of Lebanese films in international film festivals and their capability to compete with European and international productions and to win prizes highlight the good quality of some Lebanese productions and emphasize the opportunity for Lebanese cinema to spread its identity worldwide.

However, it would be misleading to consider this bright view as dominant in the Lebanese cinema's current status [¹⁴]. Cinema in Lebanon is still not considered an Industry by itself.

¹⁴ Interview with film critic Emile Chahine

It is still a collection of movies made by independent filmmakers driven by their passion. For the most part it to suffer from the same problems it has faced since its beginning. Nevertheless; recent popular success of productions such as “Caramel”, “Bosta” and “Under the Bombs”, have shown that the local commercial successes as well as the international community acceptance and praise for Lebanese movies are possible. Hence, cinema can be a profitable business and bring back hope for an arising consideration of the Industry.¹⁵

1.5 Need for the Study

How many times these excuses are being heard?

“Everyone does it, don’t they?”

“The studios make enough money, surely this won’t affect them?”

“I don’t lend them to anyone, I just watch them myself!”

“It’s their own fault, they should bring prices down”

“They take too long to release it on DVD; I have to see it straight away”¹⁶

These excuses or questions have underlying reasons which raises the following question:

What is the Need for this study?

Lebanon is a country that has eight universities and a dozen of Institutes which offer audiovisual programs. More than 100 “audiovisualists” are graduating annually. Lebanon

¹⁵ Interview with director Phillipe Aractingi

¹⁶ The Survey Results are listed in Chapter 3

has been known in the Middle East as the cradle of art and culture. However, the average number of movies produced per year is three. This fact which can be contributed to factors, such as are the lack of investors, political instability, economic problems, censorship, small market, and the absence of governmental support, is only magnified by piracy.

DVD Piracy is overwhelming in Lebanon; in the presence of many pirates, Lebanese movies are getting widespread with the efforts of many pirates who might even knock on doors to deliver the pirated films. Thus, the percentage of people who are going to the theaters to watch movies or to DVD shops to buy an original copy, has drastically decreased¹⁷.

Adding to this, piracy has a harmful effect on the film industry on two levels: economic and moral.

Economic Disadvantage

DVD Piracy has a destructive effect on the financial returns of the film. When the choice of buying illegal DVDs is that easy, the people's tendency to buy theater tickets whose price range is between 7000 LL and 11,000 LL or purchase an original DVD will definitely decrease. They know that in a short period of time the film can be afforded in a range of 1000 LL to 2000 LL. Thus, it is impossible for a movie to make profits or achieve a breakeven when two major sources of income are not being efficiently benefited from. This thesis discusses the previously mentioned points in details.

¹⁷ Interview with director Michel Kammoun

Figure 2 illustrates the effects of the piracy on the film industry as a whole:

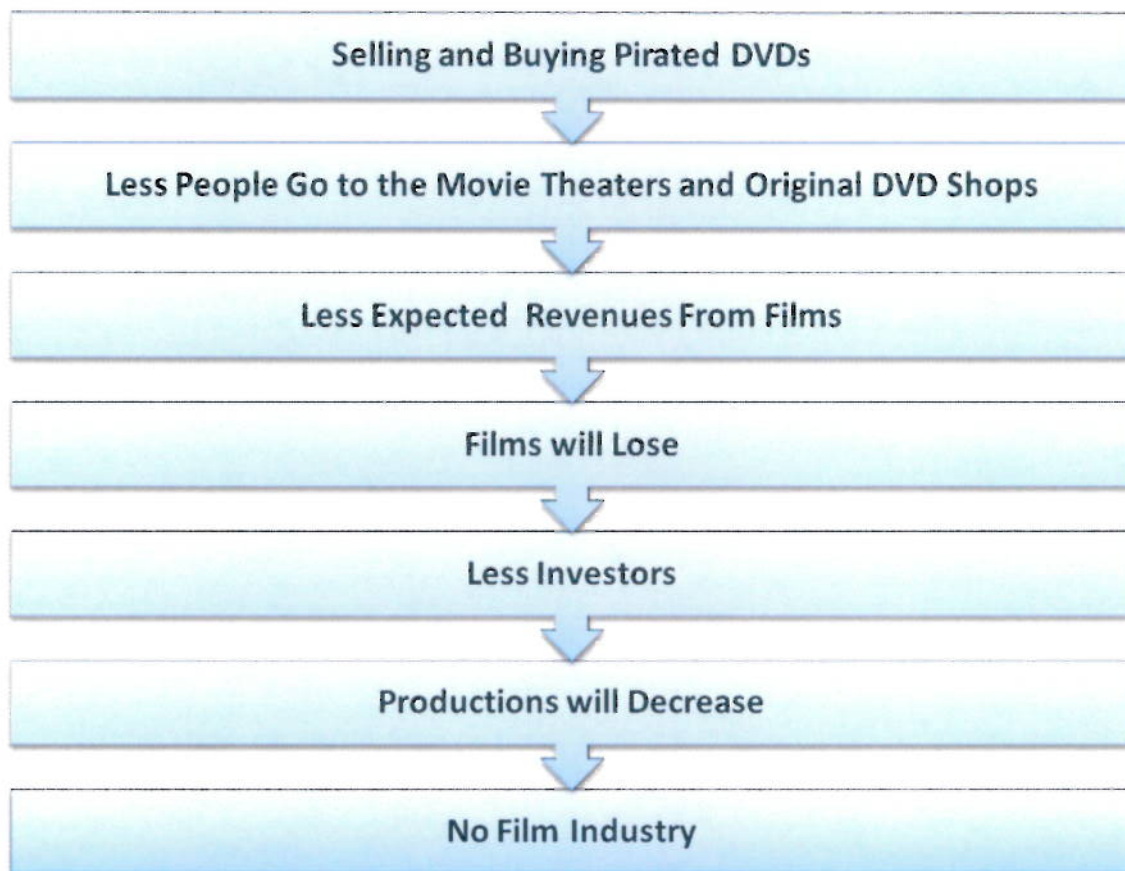


Figure 2: Framework of the piracy effects on the film industry

Impact on Morale

"I still remember when we were going to movie theaters in the seventies; it was like going to a spectacle. Watching a movie had a very different taste compared to these days" this is what Dr. Michel Haddad, a Lebanese cinefile, said.

A lot of people, nowadays, buy pirated DVDs and they throw them in the car, at home or in their offices, sometimes they watch them and sometimes they do not. Contrary is the

case of original purchased DVD when it is put in the library with books and precious objects. Even an original rented DVD, watched and returned back to the rental shop within three days, would have an intrinsic value as well as watching the movie itself.

Movies that cost millions of Dollars and years of hard work are being treated in a very disrespectful way. Samir Habshy, director and producer of Al Issar movie said: "Piracy will decrease the value of the movie. As you can see 'Al Issar' still reserves its value because it's not pirated and it is not easy to find and watch."^{18]}

1.6 How Films Are Being Stolen

There are two common techniques of film DVD piracy:

- 1- Camcording: When a film pirate enters the movie theater with a hidden video camera, the pirate captures the film on his camera and then sells copies of the camcordered film. However, the result is a bad quality copy of the film. This technique is used only when the other options are not available. According to the Motion Picture Association, 90% of first unauthorized versions of films can be traced back to cinema recordings¹⁹.
- 2- DVD duplication: When the DVD code against piracy is broken and a copy of the original DVD is made and sold. The copy can be stolen

¹⁸ Interview with director Samir Habshy / Interview with Dr. Michel Haddad

¹⁹ [www.Screendaily.com/Sarah Cooper, FDA to target UK cinema audiences with anti-piracy campaign, August 6, 2009.](http://www.Screendaily.com/Sarah%20Cooper,%20FDA%20to%20target%20UK%20cinema%20audiences%20with%20anti-piracy%20campaign,%20August%206,%202009)

from an original DVD before the theater releases through one of the many illegal ways that pirates use. (These techniques are detailed in the coming chapters). These movies can also be uploaded and downloaded via the internet. Facts say the machines in a major factory can pay for themselves within a day²⁰.

1.7 Problem Statement and Research Question

The focus of this study is on the effect of film piracy on the film industry and specifically on the Lebanese film.

First and foremost, without revenues there will be no film industry. If producers or investors find that they will not make a minimal acceptable profit from the film, they will not be willing to invest in it [²¹]. There are many good scripts put away in the drawers of writers and producers which cannot be produced because of the lack of financial support.

Hence, the prospects of the Lebanese film industry will not be widened and high budget Lebanese films will not be produced. This hinders producing higher quality movies which can enter and compete in the international film market.

Thus, the researcher hypothesizes that piracy has a harsh, direct and negative effect on enhancing the prospects of the Lebanese film which raises the research question:

What is the effect of the Film Piracy on Lebanese Film productions

²⁰ Katie Allen, media business correspondent The Guardian, Saturday 7 April 2007

²¹ Interview with producer Louis Saghbini

Chapter 2

Review of Literature

2.1 Worldwide Overview of Piracy

IPR violation has been a top concern for businesses in countries such as the U.S.A., China, Australia, and the U.K. among other countries in recent years. Therefore, various studies have been made to measure the intensity of the damage caused by piracy on the cinema sector and on economies as a whole. In addition, how to effectively overcome such challenge has been a key issue for these countries and their governments.

In 2004, the major motion picture studios of the U.S. commissioned the Motion Picture American Association (MPAA) to do a study²² to get a more accurate and detailed picture of the film industry's losses to piracy worldwide. This study is the first wide-ranging study examining a more complete picture of piracy including specifics about pirates, techniques and then countries having the biggest problems with piracy; the impact on the economy; losses to industries in various countries as well as losses to the major studios.

The aim of the study is to provide the industry with a tool for government encouragement and also a more complete picture of where to attack film copyright theft in anti-piracy efforts. The MPAA has begun using this data to work with governments on strengthening

²² Worldwide Study of Losses to the Film Industry & International Economies Due to Piracy, Pirate Profiles. Dan Glickman, Chairman and CEO of the Motion Picture Association, Inc. (MPAA) 2006.

copyright laws and illustrating local losses to their economies and their own film industries.

In China, Dr. Yiming's study²³ examines Intellectual property right (IPR) protection strategies by a sample of foreign and local businesses in China. These strategies go beyond the conventional legal means by also including:

- Social responsibility programs
- Innovations
- One-stop business-solution
- Close cooperation with local business partner
- Market embargo
- Production-process quarantine

They have produced very positive and seemingly long lasting outcomes.

New studies in Australia sponsored by the Australian Federation Against Copyright Theft (AFACT) show serious impact of movie piracy on the Australian film industry; incorporates global first assessment of internet piracy losses

The AFACT declared that Australian film industry businesses lost an estimated \$233 million to pirates illegally duplicating and downloading movies in 2005, with the number

²³ Yiming Tang, Corporate strategies to protect intellectual property rights in China: Lessons from foreign and local businesses, Macquarie Graduate School of Management

of counterfeited DVDs almost equaling legitimate copies. These data are extracted from a study that emphasizes the importance of intellectual property to economic growth worldwide and reveals the extent of damage caused by copyright theft to creative industries all around the world.

The AFACT also announced the findings of a study conducted by Bergent Research into Australian consumer attitudes towards piracy, commissioned in 2005 by the local film and television industry as part of a united push to create better public awareness of the impact of piracy on industry and society. One of the study's key conclusions was that nearly one fifth of Australians last year watched a movie on pirated DVD before its cinema release.

2.2 Volume of Piracy

According to reportpiracy.co.uk, 400 million pounds per year is lost by the studios through piracy. In the Middle East, there is a loss of up to 93% of the revenues per year.

The Latest figures from the annual Ipsos survey show that the total loss per year to the whole audio visual industry through copyright theft, including file sharing, home burning discs and borrowing other people's fake DVDs in UK is £486million.

In 2008, the studios would have produced an average of 5- 6 more blockbuster movies like Lord of the Rings, Harry Potter or Shrek, costing around 80 million pounds each. Hence, through piracy movie lovers are depriving themselves from their own entertainment.

Film and TV shows piracy is worth up to \$20bn (£10bn) a year, according to the Motion Picture Association of America. The studios lose out on box office taking and DVD sales

but also have to pour money into fighting increasingly slick worldwide networks of pirates.^[24]

2.3 Actions against Piracy

Many measures are being taken against piracy on a worldwide scale. However, this does not wipe out piracy completely; it still helps in diminishing its tremendous effects.

Many countries around the world have acknowledged this crisis and have started taking proactive steps to fight Piracy. Chinese officials say they are taking major actions to prove to the entertainment world that they are serious about stopping piracy. Public security departments in China investigated 2,283 cases of IPR infringement worth \$213 million Dollars. Courts around the country dealt with 2,684 cases involving 4,328 people, and 4,322 were found guilty. The Chinese government said 18 ministries, including the Ministry of Public Security, the Ministry of Justice, the Ministry of Culture and the State Intellectual Property Office would join hands to publicize IPR protection during a special promotion week²⁵.

According to a recent study, India's entertainment industry loses \$4 billion Dollars and 800,000 jobs in one year due to piracy. For this reason, the government decided to fight piracy! "The state governments have lowered entertainment tax rates consistently from a peak rate of 70 percent to 50 percent over the years to help attract viewers to cinema

²⁴ IPSOS survey 200, Motion Picture Association Worldwide Study of Losses to the Film Industry & International Economies Due to Piracy.

²⁵ www.chinaipr.gov.cn/news/government/237270.shtml

theatres and to reduce the market for pirated videos” said the Information and Broadcasting Minister Ambika Soni in an article posted by india-forums.com.²⁶

2.4 Studies Done on DVD piracy

The purpose of this chapter is to make an assessment of the empirical literature dedicated to the consequences of piracy on movie productions.

The empirical literature is relatively scarce and the diversity of data collected and methodologies used make it difficult to compare the literature results.

The main concern of Chellappa and Shivendu (2002) was on understanding offline movie piracy in a global context. They observed that movies are largely pirated by duplicating DVDs, VCDs and other physical media, and identified two forms of movie piracy that consumers engaged in: global and regional piracy. Chellappa and Shivendu (2003) then conducted more in-depth study to include the regional differences in the willingness to pay for quality. They found that piracy is not a victimless crime because both producers and consumers in regions with high willingness to pay for quality are considered on the losing end. The online aspect of movie piracy was explored by Marc Fetcherin (2004). His paper empirically showed that there is a very low probability of getting high quality movies on KaZaA which means that the majority of consumers prefer to download movies legally.^[27]

²⁶ Thaindian News, March 27th, 2008.

²⁷ Sougata Poddar, Economics Of Movie Piracy: Theatre Movies And DVDs (Preliminary And Incomplete Draft, July 2007), Department of Economics, National University of Singapore, 10 Kent Ridge Crescent, Singapore 119260: <http://www2.huberlin.de/gbz/downloads/pdf/SERCIACPapers/Poddar.pdf>

His second simulation revealed that the most important factors determining consumers' behavior are:

- The risk of being caught,
- The perceived value of the original,
- The availability of high quality copies and
- The price of the original.

Joel Waldfogel and Rafael Rob (2006) noticed that new information technologies have allowed the proliferation of unpaid distribution and redistribution (also known as “file-sharing” and “piracy”) and such phenomenon has become a major problem for producers of information products such as music and movies. Hence is the confirmation that displacement effect was large and statistically noteworthy and they attributed it to the fact that unpaid pirated versions could have quality as good as paid original versions.

Due to those displacement effects, producers might be unable to recover their cost of production, they remained optimistic in their belief that unpaid copy of a movie i.e. home video viewing, cannot effectively replace the movie experience in the theatres, hence the threat of displacement is less for movie piracy.

Sougata Poddar (2006) studied the impact of movie piracy on box-office sales by setting up a simple theoretical model. He found that the best outcome for movie producers is to have no piracy at all i.e. full protection; on the other hand, having no protection is the most optimal for consumers and the society.

Thus, to create a balance between the interests of movie producers and consumers, he proposed the strategy of partial protection, which is to delay piracy.

With partial protection, he showed that consumer surplus and overall welfare is improved while movie producers enjoy profits and the incentives to invest in making new movies.

Contrary to what movie producers are claiming, internet piracy seems to have little negative effect on theater attendance in our sample of people from the university community. This data was deducted from the study on the impact of piracy on the demand for films conducted by David Bounie, Marc Bourreau and Patrick Waelbroeck²⁸ (2006). The strongest effect of piracy is on video (VHS, DVD) purchases and rentals. However, for consumers who use pre-paid pricing schemes in video-stores, movie piracy seems to have a small impact.

Their results suggest, if confirmed by other studies, that the video segment suffers the most from internet piracy and that on the contrary the movie theater segment could be able to generate stable or increasing revenues even in a world of illegal file-sharing. New business models such as internet movie on demand could also be able to generate revenues from people who mainly rented videos in the past and who have switched to the convenience of watching pirated movies. Moreover, the results suggest that subscription-based pricing

²⁸ Piracy And The Demand For Films: Analysis Of Piracy Behavior In French Universities Review Of Economic Research On Copyright Issues, 2006, Vol. 3(2), P. 15-27.

could be a relevant strategy to compete with piracy, as a zero marginal cost for watching a movie legally reduces incentives to get pirated movies.^[29]

2.5 Findings of Previous Research

The first three literatures highlight the two major forms of movie piracy: hard goods piracy and online piracy. Chellappa and Shivendu (2002) suggested a way to fight hard goods piracy, which is to maintain variable technology standards for DVD players. However DVD players are usually mass-produced for international markets, hence it is no longer a practical strategy; rather now movie companies have arranged for simultaneous release of movies in all international markets, hoping to effectively fight global piracy.

As for online piracy, it appears that the lawsuits that the Motion Picture Association of America (MPAA) has brought against on individual pirates and online file-sharing sites like Grokster work well against copyright infringers. Marc Fetscherin (2004) asserted that consumers fear to risk being caught. Moreover, his empirical results show much optimism for the movie industry; that is consumers prefer legal downloads since pirated versions online are of inferior quality.

The last two literatures support the view that movie piracy hurts movie producers, as the empirical study shows that unpaid movie consumption displaces paid consumption, whereas the theoretical model shows how movie producers earn the most profit when there is no piracy. On the other hand, the empirical paper considers both theatre movies and

²⁹ Sougata Poddar, Economics Of Movie Piracy: Theatre Movies And DVDs (Preliminary And Incomplete Draft, July 2007), Department of Economics, National University of Singapore, 10 Kent Ridge Crescent, Singapore 119260: <http://www2.huberlin.de/gbz/downloads/pdf/SERCIACpapers/Poddar.pdf>

original DVDs market under “paid consumption”, where the theoretical paper only took into account profit from the movie theatres. Now we shall combine the merits of the two papers to create a simple theoretical model of movie piracy which explores the impact of piracy on prices, demand and profits of movie theatres and original DVDs.

2.6 Studies made on Lebanese Film Piracy

As clearly stated in Roger Melki’s study³⁰, Admissions in Lebanese cinema theatres have been decreasing since 1997, in spite of the lower ticket prices. This is primarily related to piracy, considered as the main disease of the industry.

Actually, the illegal renting of DVD and the large-scale cable piracy considerably affects the cinematographic sector in Lebanon. Some professionals of the sector have different opinion:

- The major problem is illegal cable operators. About 50 channels could be obtained for \$10 per month. There are an estimated 1,300 cable operators serving the Lebanese population. These operators retransmit domestic and foreign terrestrial and satellite programming without authorization to their subscribers. Cable piracy seriously damages the legitimate theatrical and video markets in Lebanon. The new copyright law of March 1999 has not been properly implemented in this sector.

³⁰ Roger Melki, Performance of the Copyright Industries in Lebanon, November 27, 2002

- It is the DVD film that is a major competitor to the cinema since it is illegally sold or rented only few weeks after its showing in the movie theater or even while the movie is exhibited in theatres. Thus, a typical Lebanese consumer might not be interested in going to the movie theatre when he/she can watch the unabridged DVD copy of the same film for a minimum price.

Moreover, in late 2004, Lebanon took some steps toward controlling and reducing piracy in certain sectors. The Lebanese government cooperated with several right holders in conducting several raids against pirate end-users and resellers hoping that the raids mark the beginning of a crackdown in domestic or international piracy coming in at the borders, to finally create a healthy commercial environment for the copyright sector in Lebanon. Estimated losses to the U.S. copyright industries in 2004 due to copyright piracy in Lebanon were \$31 million, with piracy rates at 70% or above for all industries reporting such statistics.

Despite some actions brought by some content owners and local broadcasters in 2003, cable piracy continues to harm the Lebanese market for right holders in audiovisual materials, between 600 to 700 pirate cable operators continue to serve some 80% of Lebanon's households. Retail piracy of optical discs (CDs, VCDs, DVDs, CD-ROMs, "burned" CD-Rs, etc.) continues in Lebanon. Some pirated discs are known to be produced locally in one unregulated optical disc plant, while many more are imported from Asia, particularly Malaysia, and lesser quantities from Eastern Europe. Syria is a major transit

country for pirated optical discs from Malaysia and China, and a source country for locally burned pirate CD-Rs, which are being smuggled into Lebanon.^[31]

Suggested Actions³²

The actions suggested to fight piracy are the following:

1-Enforcement:

- Continue raiding the major pirates in the country
- Ensure shop closures
- Raid pirate retail stores and street vendors and prosecute persons found to be involved in such activities
- Instruct law enforcement officials to seize and immediately remove all clearly infringing materials during raids.
- Seize, secure, and eventually destroy all pirated materials.
- Criminally investigate and prosecute all persons found to be involved in piracy activities
- Address priority piracy cases and hand down deterrent sentences
- Close down all unlicensed “community cable” television stations in Lebanon.
- Close down the one known optical disc plant

³¹ International Intellectual Property Alliance, Lebanon, Special 301 Report, 2005

³² International Intellectual Property Alliance, Lebanon, Special 301 Report, 2005

- Instruct Customs authorities to take action to seize pirate product entering the country.

Coordination

- Give the form a priority, a specialized IPR Unit within the police, with dedicated resources and power to act anywhere in Lebanon.
- Assign a national network of specialized prosecutors dedicated to copyright cases.
- Increase manpower from 10 personnel to 140 (who would be available for copyright infringement/piracy matters).
- Engage in public education activities
- Create an enforcement reporting mechanism for all ministries, customs, the Prosecutor's Office, etc., so that raids do not go without adequate follow up.
- Improve the efficiency of the court system, through the streamlining of IPR cases, creation of specialized courts, or other equivalent methods.

Legislative

- Adjust the copyright law to comply with TRIPS and the WIPO Internet Treaties, accede to the WCT and WPPT³³.

³³ Acronyms of international agreements concerning intellectual property rights

- Adopt an optical disc regulation, requiring optical disc manufacturing plants to obtain licenses and conduct themselves in accordance with specific business practices that promote due care and discourage piracy.

Table 2 below lists the estimated trade losses of Lebanon due to copyright piracy and levels of piracy:

LEBANON										
Estimated Trade Losses Due to Copyright Piracy										
<i>(in millions of U.S. dollars)</i>										
and Levels of Piracy: 2000-2004⁶										
	2004		2003		2002		2001		2000	
	Loss	Level	Loss	Level	Loss	Level	Loss	Level	Loss	Level
Motion Pictures	10.0	80%	10.0	80%	8.0	80%	8.0	80%	8.0	60%
Records & Music⁷	3.0	70%	2.5	70%	2.0	65%	2.0	65%	2.0	68%
Business Software	15.0	75%	14.0	74%	3.5	74%	1.1	79%	1.3	83%
Entertainment Software	NA	75%	NA	80%	NA	NA	NA	NA	1.5	96%
Books	3.0	NA	2.0	NA	2.0	NA	2.0	NA	2.0	NA
TOTALS		31.0		28.5		15.5		13.1		14.8

Table 2: Lebanon Estimated Trade Losses Due to Copyright Piracy and Levels of Piracy: 2000-2004³⁴

2.7 Conclusion

In this chapter, the author gathered several studies conducted in different countries about piracy and its effect on the movie productions and the national economy. The researchers' findings are grouped in one paragraph deducting and unifying the results. Adding to this, Roger Melki's study on the performance of the copyright industries in Lebanon (2002) and

³⁴ International Intellectual Property Alliance, Lebanon, Special 301 Report, 2005

the Special 301 Report about the international intellectual property alliance (2005), where discussed in the last part of the chapter to highlight their method and findings and consequently define the hypothesis and the contribution of this thesis.

Chapter 3

Research Framework and Methodology

3.1 Research Framework and Methodology

Throughout his quest of focusing on the obstacles that hinder the prosperity of the Lebanese cinema production, the author highlights the effects of piracy on the Lebanese movie production, and then bases his analysis and deductions on two methodologies, Qualitative and Quantitative, to come up with enough evidence for accurate interpretation of the studied and analyzed effects. This is all summarized in the following flowchart:

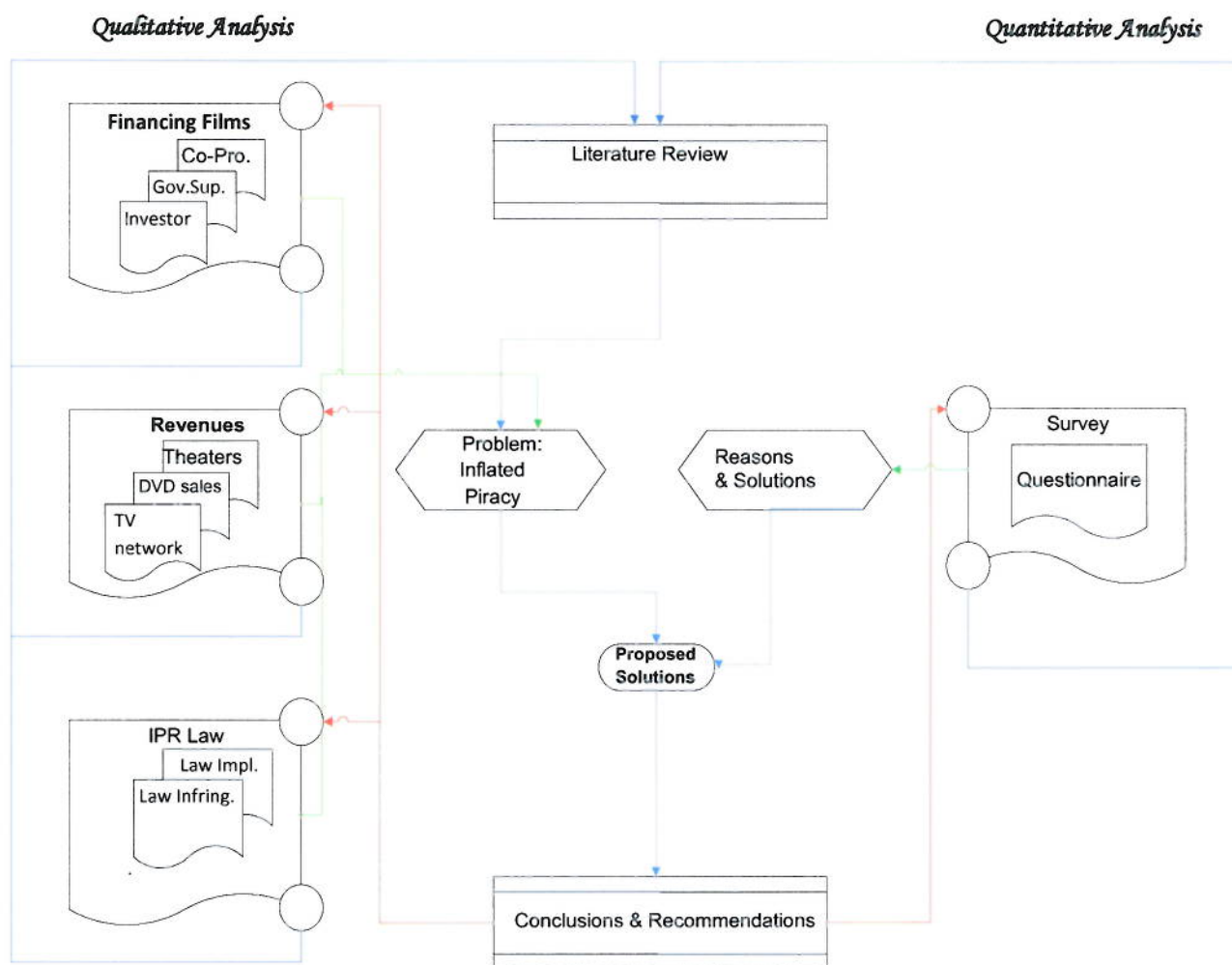


Figure 3: Research Flowchart and Methodology

3.2 Qualitative Analysis

The qualitative analysis of this study is divided into three sections. The researcher starts with a general overview of the history and current status of the Lebanese cinema, continues with costs and financing of Lebanese films, then goes on with an analysis of the sources of revenues of movies. In this regard, a thorough study of the effects of the piracy on the films revenues is conducted. Moreover, the Lebanese intellectual property right law is

dissected, its coverage areas, infringements, current and potential implementations are studied. Finally, recommendations are given based on the interviewed professionals' suggestions, results of the questionnaire, and models from different countries such as Australia, U.K. and Venezuela.

3.3 Quantitative Analysis

A survey is conducted on film DVD piracy in Lebanon. This survey is in the form of a questionnaire tackling the different aspects of film piracy in Lebanon, realities, facts, reasons and suggestions. The respondent is given the opportunity at the end of the questionnaire to express his/her opinion in his/her own words.

The sample chosen for this questionnaire is approximately 200 individuals interested in cinema and their answers are compiled, processed and analyzed to get needed primary data and significant inputs needed for the formulation of recommendations.

3.4 Limitations of the Research

This study is meant to establish the framework for further and broader studies on piracy and its effects on the film industry in Lebanon.

Limitations of the research conducted for this study are mainly concentrated in the data availability and subjectivity of the opinions in the survey and interviews. A bigger sample can be chosen in further studies as well as more precise figures and numbers of the current

and future impact of piracy on the Lebanese film market. This will lead to a better and more accurate assessment and measurement of how advantageous can law implementation and governmental and individual actions against piracy be.

The researcher could have arrived to more accurate results if a wider range of references could have been available. This facilitates the work of researchers attempting to compare different studies from different international educational centers, schools and law specialists.

3.5 The Survey

Next are the results of the survey which was conducted through a questionnaire³⁵ distributed on a sample of the Lebanese population. The sample is 183 individuals from genders, various age groups, educational and religious backgrounds. The sample group is constituted from people interested in cinema, professionals, students, cinefile, movie collectors and others.

The following results came up:

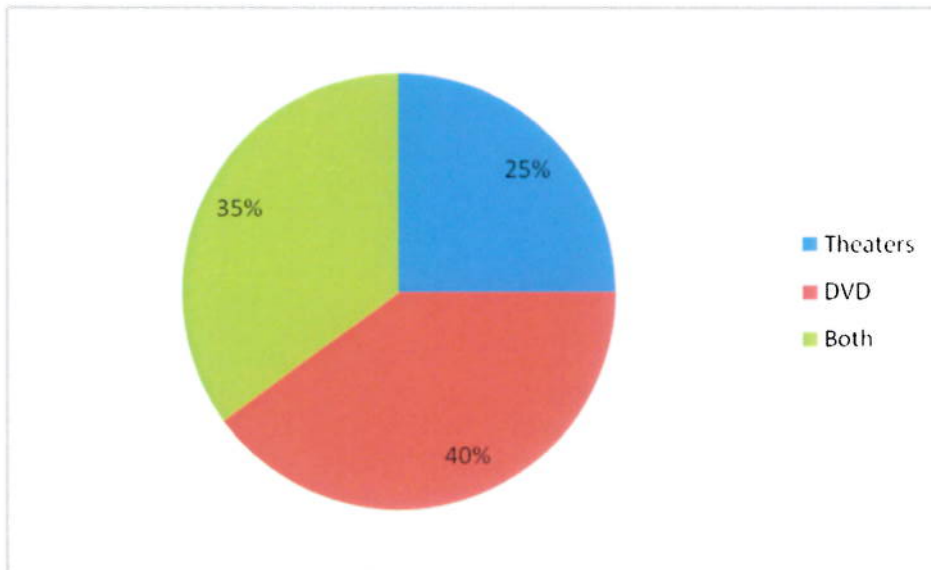
1. When asked how they would rather watch a new release:

40% said on DVD

25% said in the theater

35% said both

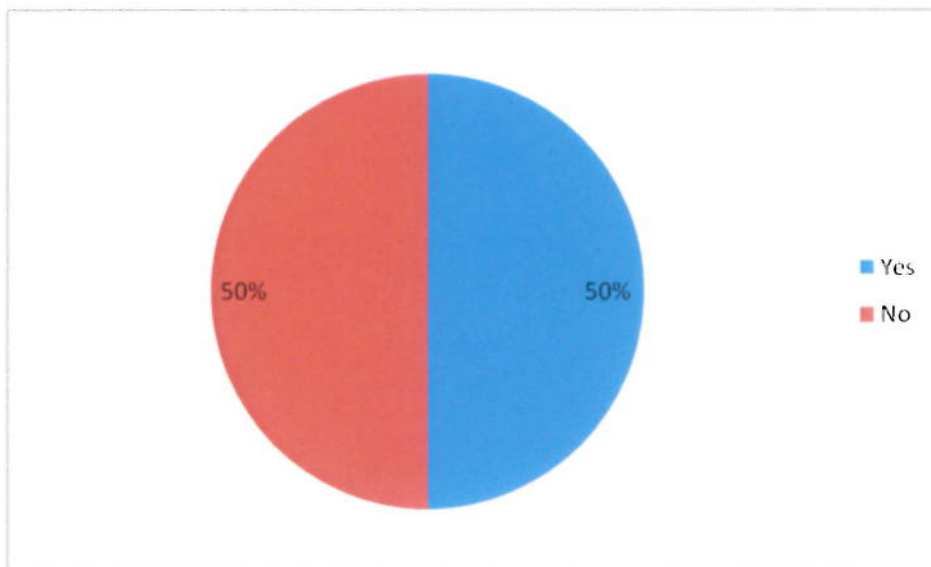
³⁵ A sample of the questionnaire is listed at Appendix A.



2. When asked if they rent DVDs:

50% said yes

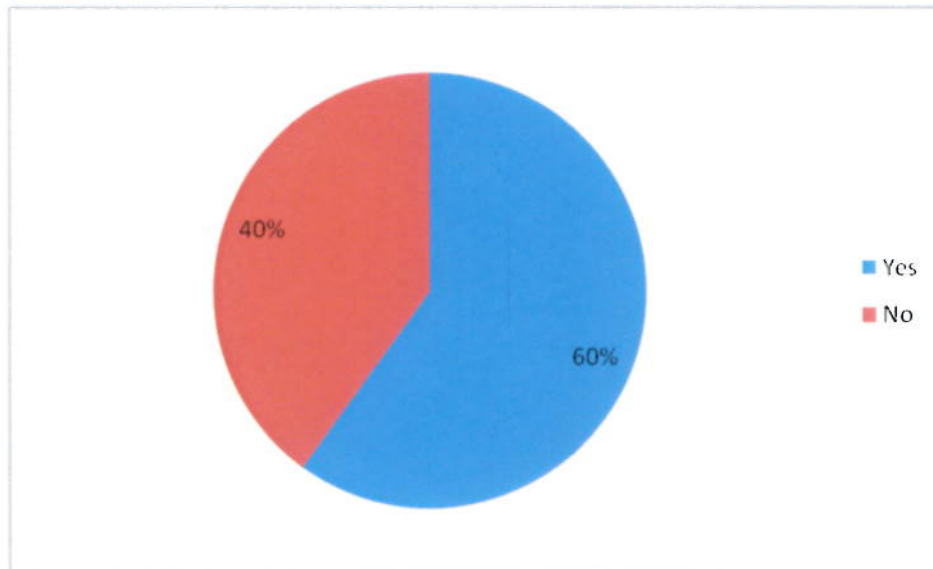
50% said no



3. When asked if they collect DVDs

60% said yes

40% said no



4. When asked how many DVDs they own:

20% own Less than 20 DVDs

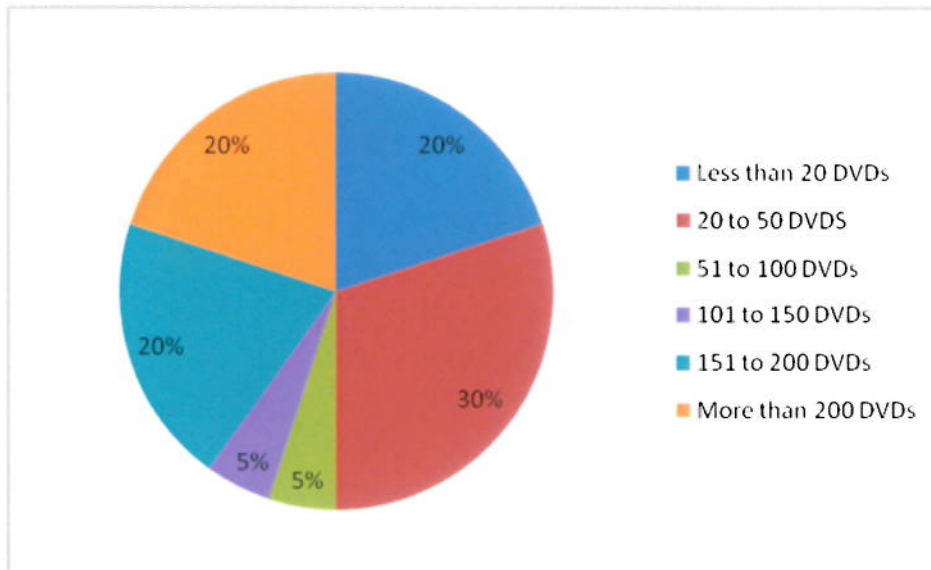
30% own 20- 50 DVDs

5% own 51 to 100 DVDs

5% own 101 to 150 DVD's

20% own 151 to 200 DVDs

20% own more than 200 DVDs



5. Of all the DVDs they own, how many DVDs are original

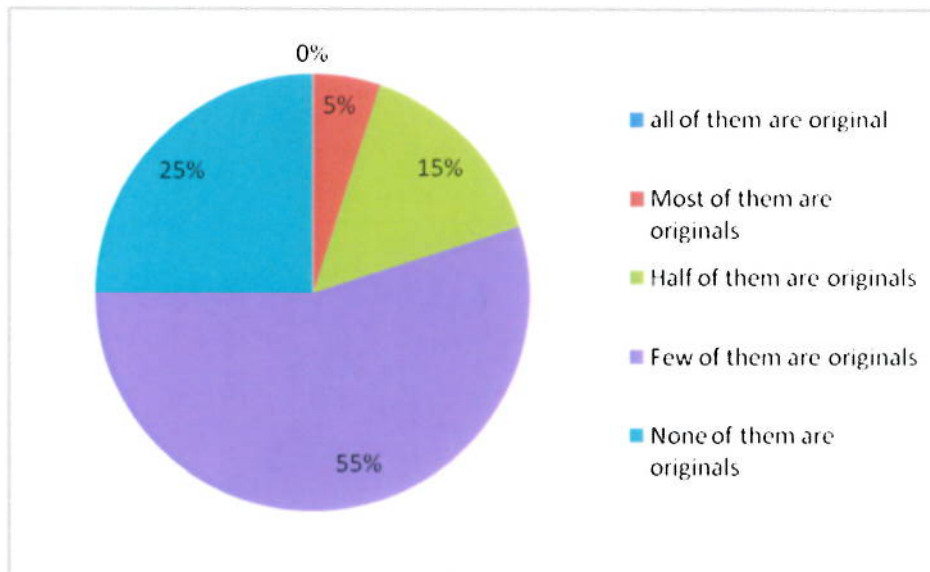
0% said all of the DVDs are originals

5% said that most of them were originals

15% said that half of them were originals

55% said that few of them were originals

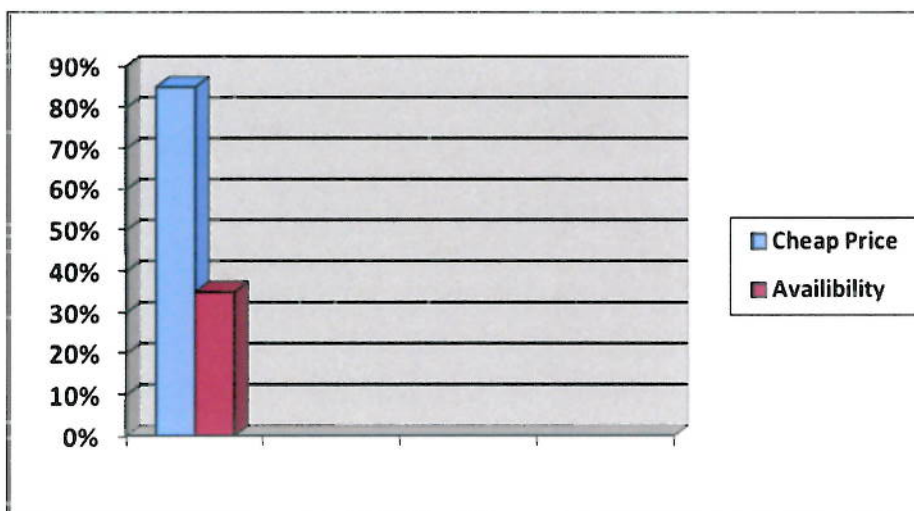
25% said that none of them were originals



6. When asked what factors make you purchase a copied DVD

85% said it was the cheap price

35% said their availability



Other answers were:

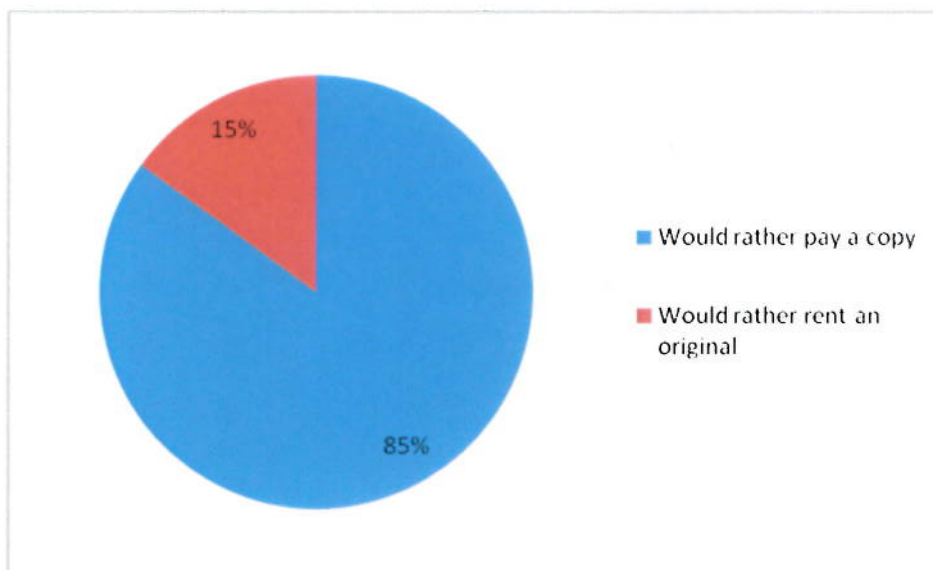
- They are the same quality as the original

- I wouldn't pay so much money for an original
- Pirated copies are released before the cinemas
- I can watch the film then throw it!

7. When asked if they would rather buy a copied DVD or rent the original

85% said they would rather buy a copy for they can watch it as many times as they like and they can keep it.

15% said they would rather rent an original for the better quality and that way they would be watching an original copy so as to reduce piracy.



8. When asked about the Factors that make them purchase an original DVD

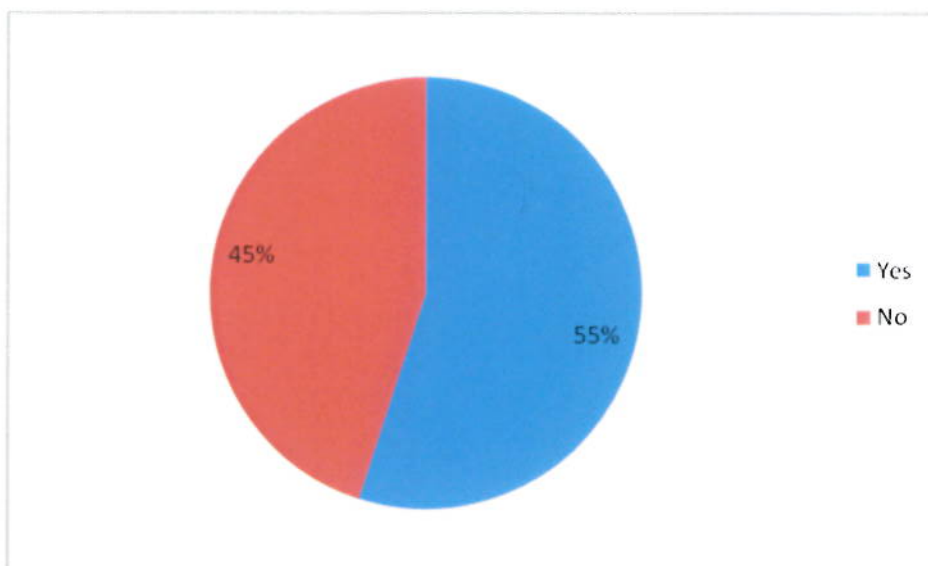
1	Much better quality and more durable.
2	More features
3	To collect in my Library
4	Better Packaging
5	I need to use it in courses (I am a teacher)
6	Favorite Director

7	It is worth the money
8	Appreciation of arts
9	It is not available in pirated copy

9. When asked if they agree that buying a pirated DVD is a crime?

55% said Yes

45% said No



Why?

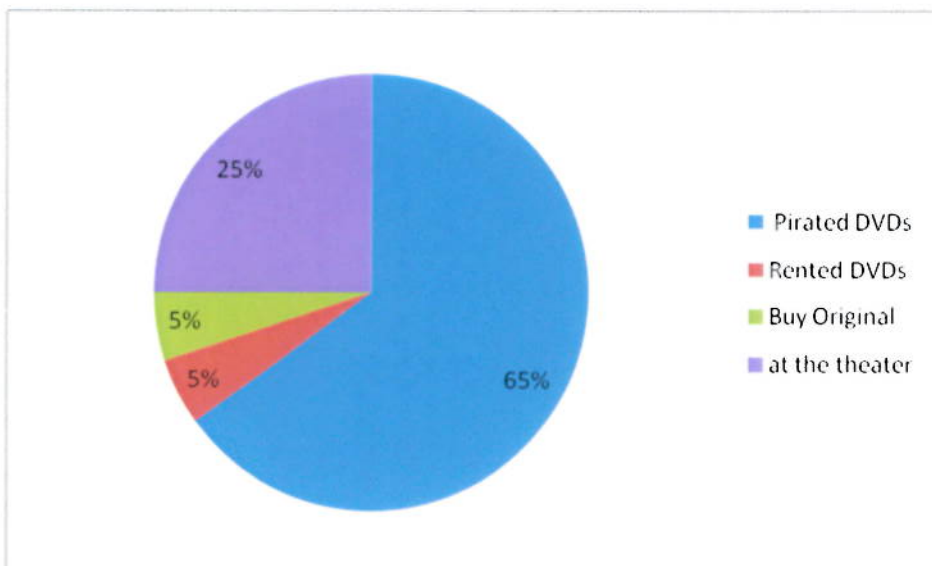
YES	NO
Because, it does not protect the rights of the owner	It's not a crime in Lebanon because DVDs are so expensive
It's a form of stealing	They should stop the seller not the buyer
Because artists are not being appreciated	This is Lebanon
Because in an indirect way you are destroying a whole production	Don't you think that the price of the Original DVD is a crime?
	The government should stop piracy, not me

10. When asked how the public can be stopped from buying pirated DVDs?

1	Lower prices of admission
2	Conduct awareness campaigns
3	Fight Piracy in a new way
4	Make offers on original DVDs

11. When asked if they were interested in Lebanese cinema

- 80% answered yes. Among their favorite movies were Caramel, West Beirut and Zozo.
- 65% usually watch Lebanese on pirated DVDs, 5% rent the DVD, 5% buy an original and 25% watch them at the theater.



60% of the questioned population owns a copy of their favorite Lebanese movie on DVD but only 20% have it on original DVD!

- 75% of the sample believe that an individual can contribute to the improvement of the Lebanese film industry by stopping the use of pirated copies for the following reasons:

1	It will help the film industry financially
2	More money gained, better films next time
3	Support national productions
4	If no one buys copies, the people who make them will stop!

- As for the 25% who believe that the individual cannot make a difference, the reasons they gave were the following:

1	It's not an individual matter
2	One person cannot improve the whole situation!
3	How can I learn about the Lebanese Cinema if I cannot buy an original?
4	I will not make any difference

- 45% of the people would stop buying pirated copies if the government implemented the laws against piracy because:
 - The fear of punishment will decrease the tendency to buy pirated DVDs
 - To be safe from negative consequences
 - Punishment will cost more than the original DVD
 - I obey rules when they are applied
 - This is what we have been waiting for

- 55% said they wouldn't stop and their reasons were
 - I don't trust and I don't fear the government
 - People can barely afford buying food... how can we buy originals?
 - They must decrease the DVD price before considering buying it pirated a crime.
 - I will find my own way of buying pirated copies
 - Punish the person who is selling and not the one who's buying.

3.6 The Survey Results' Analysis

The survey shows real facts and numbers about the extent of piracy and its overwhelming impact. Piracy is increasingly present in Lebanon. People prefer to benefit from it rather than follow the legal ways that they find very expensive regardless of their age group or monthly income. 40% of the movie lovers do not go to the theaters and only 5% have most of their DVDs as original DVDs and none of the movie lovers in the chosen sample has all of the DVDs in original copies. What worsens this problem is that many people do not respect or appreciate the real value of movies. They do not respect the copyrights or the legal framework which shapes the accomplishment of any artistic work. The only positive result was that 80% of the interviewees were interested in the Lebanese cinema but 65% of them own a pirated copy of their favorite film. However, the government is not taking serious steps to stop people from buying illegal DVDs.

On the other hand, consumers cannot be considered as the only blamed party in the absence of serious actions to raise awareness about the importance of buying original DVDs accompanied by the governmental malfunction in this field.

In the coming chapter, recommendations are suggested based on the survey's results and international actions and campaigns.

Chapter 4

Analysis and Results

4.1 Introduction:

This chapter analyzes the facts and realities concerning the problem of DVD piracy starting by perceiving the problem from its financial dimension especially in the absence of governmental support and ends by the overview on the IPR law in Lebanon and its meager implementation. This opens the door for individual financing and co-production as the only means for producing a Lebanese film despite its relatively low cost. This cost is not even being covered because the sources of income suffer from the harsh and direct damage that piracy causes. However one cannot ignore the small Lebanese film market, censorship, the illegal cable and television networks and the illegal DVD rental shops that worsen the problem of pitiable return on investment (ROI).

4.2 Financing Lebanese Films

The major problem which any film faces is funding. This is due to the meager governmental financial support and the difficulty in getting foreign support. However, there are few Lebanese businessmen interested in funding the Lebanese films, and humble capitals are targeted towards this industry.^[36]

³⁶ Interview with director Phillipe Aractingi

Individual financiers

Some successful Lebanese films were produced as group work between friends who tried to cut as much costs as possible to be able to do so. Many people on set worked for free just because they believed in the project. An example on this is ‘Lama Hikyt Maryam’ (When Maryam spoke out). It was produced by its director Assad Fouladkar, with small funding from the Lebanese American University where he teaches film making.^[37]

While Philippe Aractingi was preparing to find financial support for his film, he found that “If we produce a good film that appeals to the audience (Lebanese and Arab), it will achieve an acceptable financial success so that the Lebanese film makers will avoid searching for funding organizations which give \$350,000 USD to \$600,000 USD.”

During the preparations for his film ‘Bosta’ Aractingi visited the CNC (Centre National du Cinema Francais). When the CNC found that his film was a pure Lebanese oriented film and targeted a large audience they encouraged him to find investors. They were only supporting films with a humanitarian and social message and not supporting films categorized as “film d’auteur”. So he came back to Lebanon and worked on a business plan with a well known company ‘Arab Finance Corporation’ and together they launched participation certificates for \$10,000 USD each. Out of the 120 requests, only 26 participated.

Aractingi’s film was launched and promoted as a 100% Lebanese film because all the participants in the production as well as the story and the cast were Lebanese. Aractingi

³⁷ Lina Khatib, *Lebanese Cinema, Imagining The Civil War And Beyond*, 2008, I.B.TAURIS & co Ltd, London, p.1-55.

said that according to their business plan, “We expected to reach a target of 75,000 admissions in Lebanon and we reached a much higher number!”

Aractingi firmly believes that the Lebanese filmmakers can go international with Lebanese Cinema, “Nadine Labbaky, the director of the film *Caramel* did it and succeeded” he said. The only problem is that producers still do not believe in Lebanese Cinema as a profitable business. Aractingi added that producers nowadays are pioneers who will prove in the next five to ten years how the Lebanese cinema production will be a profitable investment.^[38]

Co-productions

As mentioned before, it is not easy to approach business people to finance a Lebanese film because they do not see the Lebanese film industry as an appealing business yet. Thus, foreign co-productions are a necessity for the production of Lebanese movies and form the main source of funding.

Many Lebanese films are joint productions where a large percentage of the budget is employed by investors from foreign countries.

Lebanese Director Randa Chahal once said: “The French used to say that in order to get funding; you have to have 50 per cent of the dialogue in French. Now they say it should be 70 per cent. Why should they fund a film in Arabic? The situation is becoming more difficult. My film *Kite* had less funding than *The Civilized* because it is in Arabic.” said chahal.

³⁸ Interview with director Phillipe Aractingi

Also, Lebanese Director Bahij Hojeij said: “European funders have their own presumptions about what constitutes a Lebanese film”. [39]

Cost of Lebanese Films

Few examples of Lebanese films budget are listed in the following table:

Film Title	Budget	Year of Production
Beirut, The Encounter	3-4 million French Francs	1981
Ma'raka	400,000 L.L	1985
Letter from a Time of Exile	700,000 French Francs	1988
The Tornado	\$600,000	1992
A Time has Come	\$450,000	1993
The Civilized	2,400,000 French Francs	1998
Beirut Phantoms	\$420,000	1998
Around the Pink House	Just under \$1,000,000	1998
In the shadows of the City	\$450,000	2000
When Maryam Spoke out	\$15,000	2001
The Belt of Fire	\$350,000	2003
Kite	1,000,000 euros	2003
In the Battlefields	1,000,000 euros	2004
Bosta	\$1,100,000	2005
A Perfect Day	400,000 euros	2005
Falafel	\$650 000	2007
Caramel	\$1, 600 000	2007

Table 3: Lebanese Films Budget⁴⁰

After taking a close look at the budgets of Lebanese films, one can notice how low they are in comparison to the European and American films budget.[41]

³⁹Lina Khatib, *Lebanese Cinema, Imagining The Civil War And Beyond*, 2008, I.B.TAURIS & co Ltd, London, p.1-55.

⁴⁰Lina Khatib, *Lebanese Cinema, Imagining The Civil War And Beyond*, 2008, I.B.TAURIS & co Ltd, London, p.1-55./ Interview with director Michel Kammoun

⁴¹ Interview with director Samir Habshy

How can a Lebanese movie achieve an acceptable return on the invested capitals?

4.3 Sources of Income

Films usually generate income through five different means:

- 1- Theater ticket sales
- 2- Prizes from festivals
- 3- Governmental support
- 4- Selling the movie to TV networks
- 5- DVD release and sales percentage.

Theater Ticket Sales

Theater ticket sales represent 50% of the revenues: This is the main and first source of income for the film. Producers usually depend on theater ticket sales for their breakeven! Obviously, the investors wait for the sales of the film at the movie theaters. By watching the movie at the theater, consumers help in guaranteeing the revenues for the producers and to compensate the incurred costs and to encourage the investors to invest in another Lebanese production. (See the encouragement Campaign in UK for buying theater tickets "You made the movies" Chapter 5)

Selling the Movie to TV Networks

TV stations represent 25% of the film's financial support: This support can come in the form of 'Television' or 'Cinema'. By 'Television', it is meant that the TV station will

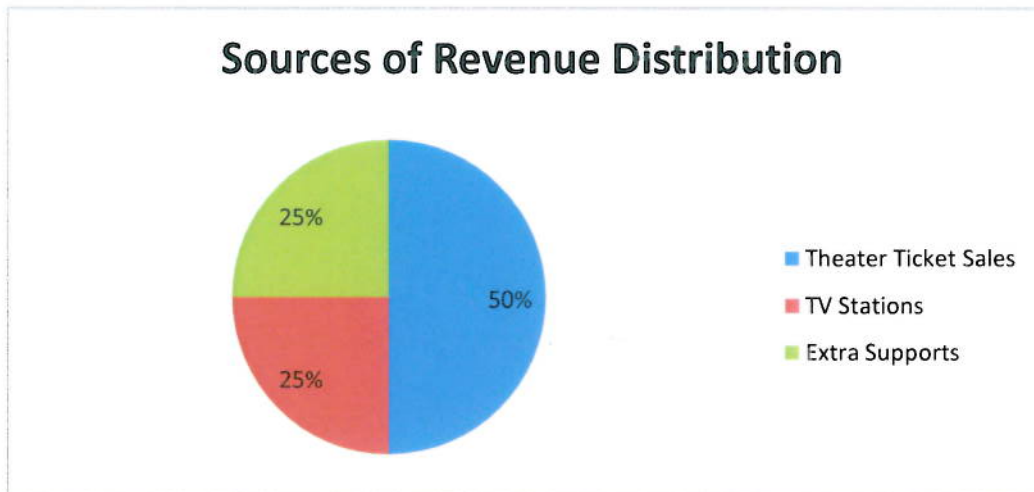
financially support the film but the station also has the right to broadcast the film at any time. “Under the Bombs” was broadcast on ARTE TV station while it was still showing in the theaters and this had a negative effect on the film’s box office. The ‘Cinema’ support is when the station broadcasts the trailer of the film and advertisements to encourage the increase of viewers. Later on, after the film is out of the theaters, the TV station broadcasts it. ‘Caramel, Under the Bombs, Amour D'enfants...’ were broadcast on LBC just recently, approximately one year after they were shown in theaters. TV stations in Lebanon pay around 80, 000\$ to 1000000\$ as average for a screening authorization.

Extra Support (DVD Sales, International Festival)

The last 25% comes from Extra support: This includes international support, DVD sales and festivals. International support is not always easy to get and usually comes under some conditions (director Bahij Hojeij - chapter 2). But it is always a support which producers seek and depend on. DVD sales are one of the major sources of income for the film. Between 2500 and 3200 DVD copies is the highest number that can be reached in the Lebanese market for a top standard movie; 5000 to 7000 in Europe, 4000 in the Arab countries and about 10,000 in US and Australia. Although festivals offer the least support, they are still worth considering. In Europe, they pay between 400 to 1000 Euros per screening to the producer of the film at the festival, while some festivals only pay the prize winner.^[42]

The following chart illustrates the distribution of the sources of revenue:

⁴² Interviews with director Phillipe Aractangi/ Interview With director Michel Kammoun



4.4 Governmental Support

Because of its social contradictions, Lebanon remains of considerable importance for foreign countries as a topic. That is why it is important to have a local industry. This needs support from the government via financing 25 percent or 30 percent of the production's budget⁴³. Consequently, this helps to appeal to foreign producers because the minimal return on their investment might be guaranteed. This will also lead to having stronger position and more control over the film: the scripts and the technical side.

Many actions of governmental financial support for the cinema industry have been taken worldwide. Examples include a non industrial country like Venezuela where President Hugo Chávez has sought to cultivate a sense of cultural nationalism in his country. Chávez's new cultural policy is "Villa del Cine", a new film studio inaugurated in June

⁴³ Interview with director Michel Kammoun

2006. The \$42 million project under the Ministry of Culture aims to produce 19 feature-length films a year, in addition to documentaries and television series.[⁴⁴]

The government of Morocco, an Arab country, gives 9 Million Dollars per year to support the Moroccan film Industry whereas in Lebanon the Ministry of Culture gives 5,000,000 L.L to 10,000,000 L.L (3000-6000\$) for few scripts renovation annually.[⁴⁵]

Most Lebanese films are either a private production or a foreign production. The Lebanese government does not support the film industry although there is an audience for Lebanese films. And as the Lebanese film maker Philippe Araktinji, the Lebanese Ministry of Education only supported his \$1,000,000 film "Al Bosta" with only 20,000 USD. Aractingi carried on to say, "This was all the support I got from the government and of course it is not enough just so as not to say that it practically amounts to nothing!"

The Lebanese should not jeopardize their language and beliefs to get the financial support from foreign countries⁴⁶. Lebanon has many talented and gifted people who can contribute positively to enhance its image. The film industry should be supported by the Lebanese government. Egypt, Syria, Morocco and many other governments support their film industry. Why not Lebanon?

⁴⁴ Danny Glover, Haiti and the Politics of Revolutionary Cinema in Venezuela, August 14, 2008.

⁴⁵ Interview with Lawyer Nasri Brax

⁴⁶ Lina Khatib, Lebanese Cinema, Imagining The Civil War And Beyond, 2008, I.B.TAURIS & co Ltd, London, p.1-55.

Going through the history and the status of the Lebanese cinema today, the local success and international recognition are remarkable; most of the movies are high quality movies especially in the last 10 years despite the lack of governmental financial support.

As mentioned earlier, the government does not have a significant contribution in all the Lebanese productions. Lebanese movies were all made by individual entrepreneurs or foreign producers with plenty of funding difficulties. If the government does not have enough budgets to help in producing the movie, it should protect all its rights and try to implement substantial measures to reduce piracy on Lebanese movies⁴⁷. It is so hard to afford the production costs when the return on investment (ROI) is jeopardized. In the coming chapter, costs and revenues will be analyzed.

4.5 Lebanese Film Market

According to the producers and directors that have been interviewed, when a Lebanese film achieves more than 100,000 admissions, the film is considered successful.⁴⁸

In this regard, the movie “Ghannoujet Bayya” achieved 220,000 admissions, the highest number of admissions ever reached in Lebanon. This proves that the Lebanese market can attain this considerable number of admissions.

The admissions of a few Lebanese films look like the following:

⁴⁷ Interview with director Michel Kammoun

⁴⁸ Interview with Cinema City assistant manager Jean Helo

Film	Audience Admission
Lama hikyit Maryam	NA
West Beirut	75,000 admissions
Bosta	145,000 admissions
Ghanoujit Baya	220,000 admissions
S. L. Film	115,000 admissions
Around the pink house	11,000 admissions
Beirut Phantoms	4000 admissions
Caramel	110,000 admissions
Under the Bombs	65,000 admissions

Table 4: Lebanese Box Office Admissions Lebanese films⁴⁹

Moreover, in 1998, Titanic was considered the movie which achieved the highest number of admissions in the Lebanese market with 440,000 admissions. This proves that when a film with a good story and popular stars, is well promoted, it can attain huge profits locally just as “Titanic” or “Ghannoujet Bayya” did.

Referring to table 2, it is clear that "Bosta"⁵⁰ has reached the highest number of viewers in the film d'auteur category and it was a big success. Unfortunately, this was not the same case with "Under the Bombs" which is also a film by the same director and producer. Phillippe Aractinji considered that "Under the Bomb" (65,000 admissions) was shot in the head and it did not reach the expected target due to piracy.

⁴⁹ Interview with Cinema City assistant manager Jean Helo

⁵⁰ The Movie “Bosta” is considered a film d’auteur type and was shot with HD and 35mm.

4.6 Status of Piracy in Lebanon

"Why should I pay 30 dollars to buy a film when I can get a copy for three dollars or less," said a fifteen-year-old boy to reporter Rana Moussaoui as she was preparing for her article on Piracy in Lebanon for the Agence France Presse (AFP)⁵¹.

Jihad, a 19-year-old Lebanese student from Jounieh, Lebanon majoring in Audio Visual Arts, goes every Sunday to "Souk el Ahad" or during the week days to Bourj Hammoud in order to buy copied versions of TV series and the best of international motion picture films. Jihad says that it is worth it to go there and buy 20 discs for only 20, 000 LL rather than buying 1 DVD at a minimum price of \$20.

This young man now owns "The movie library that I have always been dreaming of where there was no other choice to have this collection of Hollywood classics, the best international films and my favorite TV series."

When asked if Lebanese movies were a part of his library, he replied by saying "Minimum we should encourage the Lebanese movies" and he listed them: Zozo, Bosta, Caramel, La maison rose, Tayf el Madina and many others in addition to West Beirut which is his favorite. He has all the available Lebanese movies in the piracy market.

Jihad says that he started collecting DVDs by renting the original and ripping it, but later he found that buying it was cheaper; 3000 LL (\$2) for the renting + 750 LL (\$0.5) for the disc = 3750 LL (\$2.5) compared to a DVD + cover + a plastic bag for 1000 LL(\$0.74). He assures that he is not the only one to have this pirated collection since he always goes with a group of friends aiming to add a significant number of DVDs to their library.

⁵¹ Rana Moussaoui , AFP, February 20, 2009.

“I assure you that this is the case with all the cinema fans and DVD collectors.”

“I am now able to open my own business in this field because the materials needed have become easily accessible and widely available in the market or on the internet with an extreme ease to be downloaded. For approximately \$2300 and some of my PR connections, I can start making my own name in the market”.

Realities, facts and losses

Recently a Qatari business man, Khaled el Mir, financially supported the Lebanese film “HELP” which was produced by Louis Saghbini. This film faced many obstacles from the Lebanese National Security Office and was banned from the theaters for some time. During this period the film was pirated and a mass audience bought copies of the film. Now that the film is going to be released in the theaters again, the producers are not expecting a large audience rate which will be financially translated in not only being unable to reach the breakeven, but in facing a big loss. This will demotivate the Qatari investor who will definitely not be willing to repeat this attempt. “I am ashamed to ask him for a second contribution after this bad experience. He is still under shock” said the producer of the film Louis Saghbini in an interview. He carried on, “What happened with Help will never stop me from producing movies but the problem is that I didn’t get my money back so how can I produce a second film if I am in debt of \$300 000”.

Censorship vs. Piracy

Any film that is to be shown in theaters has to pass by the General security. After the film undergoes censorship (deleting of scenes, rating the film, among other actions) it is then

sent out to theaters. Even the film posters are censored. The irony of the situation is that when films are sold in the pirate market, they are the complete film without any form of censorship.

Even the General Security blacklisted films are sold in Lebanon in pirated forms. The pirate selling this blacklisted film does not even have to go through the formal regulations which are necessary before selling original DVDs nor does this person have to pay taxes.

On April 1, 2009, 125 DVDs of the film *The Walker* were withdrawn from the market because it had a gay kiss in it, scenes from a gay bar, and it encourages gay activities and gay life.

On April 9, 2009, the censorship office blacklisted the movie *News Movie AKA: The Onion Movie* because it spoke against the Heavenly religions in a sarcastic and comic way. These films can still be found in the pirate market and without any censorship at all. Everyone can watch these films on the Lebanese satellite again with no censorship. If these films are blacklisted, how did they get into the country and how do people have copies of them? And why pirates are allowed to sell them without being caught? [⁵²]

The case of “Help” the movie

Early in the year 2009, the Lebanese film HELP was the talk of many people. Not necessarily because it was a good film but because it was blacklisted after it was licensed and ready to be shown in Sofil theaters. The propaganda about the censorship of the film

⁵² www.nowlebanon.com

made everyone curious to see it. Despite the fact that the film is blacklisted in Lebanon, everyone can buy it from a shop that sells pirated DVDs for 1500 L.L (\$1) and without any censorship.

Louis Saghbini, General Manager of Frame by Frame Productions, the company that produced HELP mentioned that his Film cost is \$300,000. After being banned from Lebanese Theaters, HELP is now expected to be out in the theaters again very soon. "But what's the use? Most Lebanese people have a pirated copy of the film at home!" He carried on saying, "I was shocked when I saw a person selling my film while I was waiting at the red light. I bought it for 1500 L.L and I went home quickly hoping that this copy would be a fake one. Unfortunately, when I put it in the DVD player it was HELP, the original one" "I felt like the \$300 000 was burning in front of me."

Saghbini said that supposedly there were only two copies of the film; one with him and the other with the General Security office "and of course I'm not going to rob myself \$300,000"

Lawyer Nasri Brax had his say on the HELP case, "We cannot mix between the general security duty that stopped the film and the internal security that didn't stop pirates from distributing and selling this film in the Lebanese territory." He also put some responsibility on Mr. Saghbini, "The producer of 'Help' should have taken action and the initiative to fight the illegal existence of the movie in the market- every person who has rights and does not take action towards pirates is helping the piracy to overwhelm, and is responsible for the raise of piracy in the market."

Cables and Television Networks

Lebanon is among the very few countries which has a special option that comes with your monthly satellite membership. Most satellite owners have their own channel! Yes, a channel on which they broadcast any DVD they want. What is interesting is that the DVDs which are usually played are either still showing in the movie theaters or have not reached Lebanese theaters yet or even have been blacklisted in Lebanon. Not to mention that all the satellite channels which consumers receive at home from ‘the cable man’ are pirated channels. In Lebanon we pay \$10 US for at least 100 international channels but in fact if we were to receive these channels legally we would have to pay for every satellite group (Orbit, Showtime etc...) a price much higher than \$10! This is called “Piracy in broad daylight!”

Wissam Al Aamil, head of the Ministry of Economy’s office for the protection of intellectual copyright, mentioned that this situation is one of the main factors that are preventing Lebanon from joining the World Trade Organization. Around 700 network operators in Lebanon capture and decode hundreds of channels from around the world and distribute them via cable to an estimated 80 percent of the population for an average of 10 dollars a month.^[53]

⁵³ Rana Moussaoui , AFP February 20, 2009.

4.7 Impact of DVD Piracy on Revenue Sources

Can anyone imagine Lebanon in a few years to come... with no cinema?

Scary as it may seem, “Lebanese Cinemas are threatened with extinction” said Bassam Eid, production director for Empire Cinemas and agent Columbia / Sony and 20th Century Fox.

An article in the MEB Journal on DVD sales points out that piracy swallows a major chunk of the available revenues in the region. It has been reported that there is a loss of between 35 and 95 percent of total film and DVD revenues due to piracy. Piracy has become a business in the Middle East region. In fact, some cable owners in Lebanon have a channel on which they play the unauthorized versions of the new movie releases.⁵⁴

Illegal Rental Shops

Many people might think that watching a rented DVD might not be unethical in comparison to buying a pirated copy. However, this is not the case. First of all, most of the DVD rental shops rent pirated copies and even those who rent the original DVDs have a hidden drawer with all the newest pirated movies which they rent out to their trustworthy clients whom they are sure will not spread the news. Second, internationally there is a copy of the DVD specified for rental purpose only and that DVD is sold for approximately 800 Euros⁵⁵. Whereas in Lebanon they buy a copy from a dealer for \$20 US dollars and rent it out.

⁵⁴ MEB Journal article on DVD sales Friday, 13 March 2009 issue.

⁵⁵ Interview with director Phillipe Aractingi

How will the film maker benefit from this?

According to Lawyer Nasri Brax, “It is the right of the producer to share the revenues of the rental shops that were earned from his movies. Nobody is doing it in Lebanon and this is because of ignorance about their rights.”

Impact on Theater Tickets Sales (Box Office)

“Movie theatres have seen their revenues drop by more than 50% in the last 10 years,” says Eid. This is since the rise of piracy in Lebanon.⁵⁶

If we were to do the calculation, the Lebanese film ‘Bosta’ which had an audience rate of 145,000 admissions could have gotten an audience rate of 290,000 admissions (removing the 50% drop). That is a huge difference. That makes a big difference in the theater revenues and also it encourages the producers to make a new movie and spend more money on it.

“The only positive effect of piracy is that you can have a wider circulation and distribution of your ideas and thoughts.” “I will be delivered to a larger number of people” said Lebanese Director and Producer Phillipe Arakatinji, “But this is the only positive effect against 1000 negatives! For me as a producer, even this one is not an advantage.”

Phillipe Arakatinji relates the drastic drop in box office sales with the growth of piracy on his film ‘Under the bombs’. He calls this decline a “Shot in the head for me and my movie”.

The admissions for the Lebanese film ‘Under the bombs’ dropped as follows due to Piracy:
9000 admissions in one week before piracy...

⁵⁶ Rana Moussaoui, AFP February 20, 2009.

In the first week after piracy admissions dropped to 4000.

Then during the 2nd week a drop from 4000 to 2000.

Then, in the third week the film was taken out of the theater.^[57]

Araktinji said that his film was not stolen from Lebanese theaters but it must have been pirated since ARTE screened the film while it was still showing in Lebanese theaters because the version of 'Under the Bombs' which was showing in Lebanese theaters had undergone censorship. A whole sex scene was taken out of the movie in order to avoid rating. Many people who bought the pirated copy of the film sat together at home to watch the film thinking it was like the version in the movies- clean from any sexual content and were surprised to find the 'complete' film! This is a good example about the problem of piracy and censorship that was discussed in chapter 4.

Also Aratinji's film 'Bosta' was pirated on its way to participate in a film festival, it was delivered from Lebanon to an International Film Festival.

Louis Saghbini was expecting 100,000 admissions for *Help*. However, after being pirated and watched by the targeted audience, the number of audience will drop to 30,000 in case of theater release. It means piracy took more than the two third of the tickets sale revenues for this movie.^[58]

⁵⁷ Interview with director Phillipe Aractingi

⁵⁸ Interview with producer Louis Saghbini

Impact on DVD Release and Sales

•Impact on DVD Release

The organizers of the NDU Film Festival asked the Lebanese Director Samir Habshy for a copy of his film "Al Issar" in order to screen it in the 1st NDU student film Festival, he was very honest by saying "I do not mind that you screen my movie but you cannot have it two days before the screening". He added, "I will come to the screening and bring the DVD with me and I will take it back directly after the screening". The festival's organizers respected Director Habshy's point of view and his care for his masterpiece that is still not shown in an appreciable manner in Lebanon. Many people have not had the chance to see one of the best Lebanese movies due to the fear of Habshy of piracy. Imagine that a production like "Al Isar" is not yet released due to fear from piracy. [⁵⁹ - ⁶⁰]

•Impact on DVD Sales

DVD sale is considered one of the major revenues that can still make income, years and decades after the theater release of a movie. Producers can achieve good profit especially when a DVD is released worldwide⁶¹. But unfortunately this is not the case in Lebanon.

Director Michel Kammoun said " After two years and a half of production and hard work, it is shocking to see my movie that costs \$650 000 available everywhere in an illegal way".

Kammoun added "Now I am releasing the original DVD and I am sure that the sales are going to be affected since pirated copies are widely available. Even if people have good

⁵⁹ Notre Dame university Film Festival organizers, Sam Lahoud & Nicolas Khabbaz

⁶⁰ Interview with director Samir Habshy

⁶¹ Interview with producer Louis Soghbini

intentions, they rarely buy an original when it is available at a very low price. And the solution is that it should not be available illegally.

Kammoun believes that the Lebanese market is too small and when these illegal copies are seized, the total number of sales will drop dramatically.

"What we count on is the purchase power of the Lebanese immigrants that can contribute really to the growth of the industry by buying the original DVD; the number of sales could have been very high for a movie abroad from Lebanese immigrants and foreign cinema lovers. But also there is no control, and for 10,000 LL any passenger might take with him a collection of the newest pirated releases of Lebanese Movies. This summer (2009) about 1,000,000 Lebanese immigrants came to Lebanon. Without piracy, for sure a big number of them could have bought Lebanese movies and originals due to their high purchasing power and to satisfy their nostalgic needs."

"It is a shame".

DVD sales are in a later stage an additional profit for the movie but we cannot even rely on the main source that is the theaters' admissions. [⁶²]

4.8 IPR - Intellectual Property Rights in Lebanon (An Overview)

If nothing is done about Piracy in Lebanon:

How will we be able to sell original DVDs?

How can we encourage people to watch films in the theaters?

How can we develop our film industry?

⁶² Interview with director Michel Kammoun

According to the International Intellectual Property Alliance, a private sector coalition that represents US-based copyright industries, more than half of CDs, DVDs and software sold in Lebanon are copies.

From the consumer's viewpoint, why spend \$30 US on a DVD or spend 11,000 L.L per person to go to the movie theater when you can get a copy of the film for \$1 US and watch it many times at home. Also for the vendor, who has racks of original DVDs worth \$5000 US yet they have been sitting on the racks for ages while he is making his living from selling copies of these original DVDs.

Wissam Al Aamil, head of the Ministry of Economy office for the protection of intellectual copyright, admitted "We cannot forbid access to technology to people who cannot afford to buy the original program, although, it costs millions of dollars,"^[63]

In light of all this, what is the Lebanese government doing? What measures are being taken?

In 1999, the Lebanese Legislators issued the Law 75/99 which protects literary and artistic property. This law was issued 300 years after the Statute of Anne, the first intellectual property law in the world, issued in England in 1710

⁶³Rana Moussaoui, AFP, February 20, 2009.

The Current Lebanese legislative framework for copyright firmly protects all rights, provided it is implemented and enforced seriously and effectively by all concerned authorities.^[64]

Lawyer Nasri Brax and lawyer Elie Attieh talked about the situation from the legal point of view during an interview. Lawyers Attieh and Brax assured that the Law in Lebanon is one of the best concerning the protected works that are mentioned in general and specific terms and the sanctions in case of infringement but it is not fully implemented for many reasons.^[65]

Below are the chapters of the Lebanese Intellectual property Law⁶⁶⁻⁶⁷:

- Definitions
- Protected Works
- Copyright Holder and Terms of Protection
- Criteria of Eligibility for Protection
- Rights Enjoyed by Copyright Holders
- Deposit
- Provisional Measures, Damages and Sanctions

Following are parts of the section “ protected works” in the law. Underlined are the protected works that can be found in a DVD and these artistic and intellectual products are mentioned clearly in order to be protected.

⁶⁴ Roger Melki, The Economic Contribution of Copyright-based industries in Lebanon, July, 2007.

⁶⁵ Interview with lawyer Nasri Brax/Interview with lawyer Elie Attieh

⁶⁶ www.WIPO.com

⁶⁷ Find the complete IPR law in appendix C

Protected Works

The protection of this Law shall apply to every production of the human spirit be it written, pictorial, sculptural, manuscript or oral, regardless of its value, importance or purpose and the mode or form of its expression⁶⁸.

The protection of this Law shall apply, among other works, to:

- books, archives, pamphlets, publications, printed material and other literary, scientific and artistic writings;
- lectures, addresses and other oral works;
- audiovisual works and photographs;
- musical compositions with or without words;
- dramatic or dramatico-musical works;
- choreographic works and pantomimes;
- drawings, sculpture, engraving, ornamentation, weaving and lithography;
- illustrations and drawings related to architecture;
- computer programs whatever their language and including preliminary work;
- maps, plans, sketches and three-dimensional works relative to geography, topography, architecture or science;
- any kind of plastic art work whether intended for industry or not.

The following derivative works shall be subject to the provisions of this Law and shall be protected as original works without prejudice to the rights in the original work:

⁶⁸ Chapter 2 of the Lebanese IPR Law, See complete Law in Appendix C.

- translations, adaptations, transformations and arrangements of music;
- collections of literary or artistic works and compilations of data, whether in machine-readable or other form, provided that they are authorized by the copyright holder or his public or private successors and that by reason of the selection and arrangement of their contents they constitute intellectual creations⁶⁹.

It is apparent that all the materials found in a DVD are protected from any kind of infringement and the rights of a feature film, foreign or Lebanese are also protected by the Lebanese IPR law.

Next, in the section of “provisional Measures”, Damages and sanctions; the actions that should be taken in case of rights violation are stated.

Provisional Measures, Damages and Sanctions

81⁷⁰. Where there is ground for suspecting an imminent infringement of copyright or a related right, the holder of these rights or his public or private successors, in particular the associations or companies for the collective administration of rights shall have the right to take all necessary provisional measures to prevent such infringement.

For this purpose, the judge of expedited matters may take all decisions authorized by the law in particular, ex-parte decisions, in order to ensure the protection of the right or the work that is likely to be infringed and all the other works owned by the author or the holder of related rights. The judge of expedited matters may impose coercive measures to

⁶⁹ Chapter 2 of The Lebanese IPR Law, Listed in Appendix C.

⁷⁰ Original number of paragraph from the IPR law

enforce his decisions. In addition, the president of the competent court of first instance or the competent public prosecutor shall have the right to take the provisional measures referred to above.

82. The judge of expedited matters, the president of the court of first instance or the public prosecutor may temporarily seize material constituting evidence of an infringement of copyright or a related right and shall leave it in the custody of the defendant.

86. Any person who, knowingly and with intent to make a profit, infringes or attempts to infringe copyright or related rights provided for in this Law shall be liable to imprisonment for a term varying from one month to three years and/or to a fine varying from LBP 5 to 50 million. The sanction shall be doubled in the event of a repetition of the offence.

87. Any person who manufactures or imports for purposes of sale or rental, offers for sale or rental, possesses for the purpose of sale or rental, sells, installs or rents any device, equipment or machine manufactured in whole or in part to receive illicitly any radio or television broadcast or transmission destined to that section of the public that receives the said broadcast or transmission on payment of a set fee, shall be liable to imprisonment for a term varying from one month to three years and/or to a fine varying from LBP 5 to 50 million. The sanction shall be doubled in the event of a subsequent offence.

96. If the Intellectual Property Protection Office carries out an investigation at the request of the person suffering damages, it shall charge him a LBP 100,000 fixed fee.

Law Implementation

"If You Can't Protect What You Own, You Don't Own Anything"⁷¹ John Lewis

Introduction

Having gone through the IPR laws in Lebanon, it is clear that the government holds a strong opinion against piracy. Also when it comes to implementing these laws, the government with the cooperation of the Directorate of Internal Security Forces, brought together a unit specialized in finding places where piracy is being practiced. This unit seized 30,000 music cassettes, 50,000 music CDs and 80 machines for copying CDs. This unit took action in September 2005 but it did not last too long and nobody knows why.



Figure 4: A Bulldozer Destroying pirated DVDs⁷²

Also the government has defined high sanctions for any infringement of the Piracy law which includes imprisonment for a maximum of three years and also of a fine of \$33,333. Alongside imprisonment and a fine, the guilty party also has to pay a fair compensation for

⁷¹ Cinema Journal , 46, Number 2, Winter 2007, p. 145-150

⁷² www.blog.foreignpolicy.com

the material and moral damages caused to the copyright or related rights holder, as defined by the court.

Registration Process of Artistic Works

When one has to register his work with at the ICC (International Chamber of Commerce) he is given an application to fill out. The first section of the application; the general comment section, states the following:⁷³

The Intellectual Property Rights (IPR) Committee at the Chamber of Commerce, Industry and Agriculture of Beirut and Mount Lebanon was established in 2006.

The IPR Committee, and given its sincere and genuine belief in the paramount importance of IPR issues and the subsequent implications at the economic and social levels, works towards the efficient laying down and adequate enforcement of IPR legislation, as a pathway towards a more attractive operational platform for investors.

The Committee's top priority is to disseminate an adequate IPR culture and to educate not only the stakeholders, but also a wider public base, on IPR-related issues.

For this matter, the Committee acts as a focal point as to synthesize the problems and the needs of firms in IPR matters, and represents the private sector's interests before the concerned public bodies.^[74]

⁷³ www.iccwbo.org/.../ip/.../IP%20template%20Lebanon-PolicyA.pdf

⁷⁴ www.ccib.gov.lb

Despite all this, piracy is still very popular and active in Lebanon. Could the obstacles facing the judicial authorities be the main contributing factors for its increasing presence? Or is it the lack of follow up and implementation of the laws?

Professionals Opinions

“The law is ideal and it constitutes a full protection for anyone having any right, but the problem is in the implementation. The legal authority is doing its job but the problem is with the executive authority” said Lawyer Nasri Brax⁷⁵. Brax adds that the problem is not only in the implementation of the law but also with the rights’ owner. “People do not know their rights and duties. In a normal case we do not face problems in the implementations but it is not easy to follow these men walking in the streets and selling DVDs.” Brax says that the implementation problem is present because there is no political decision to chase the pirates.

“All the authorities know their obligations very well but people who have their rights infringed, have to declare and claim for them. In many cases declaring and claiming the rights worked but not always in CD and DVD piracy. For example, during the Lebanese civil war, some TV stations were broadcasting illegally and they were using feature films without any authorization. It can be noticed these days that one to two feature films are broadcast per week on the local TV channel. In this case it is much easier because you

⁷⁵ Interview with lawyer Nasri Brax

know where the source is! But in the case of DVD it is very hard to track a person” said Lawyer Nasri Brax.

“Both the dealer and the buyer- Piracy is theft in all its forms!”

Brax contends that it would not be easy to completely abolish piracy from Lebanon. What we can do is find a protocol or a deal with the pirates themselves and prohibit them from selling anything related to Lebanese cinema. They can apply strict measures to oblige them to stay away from the Lebanese movies at least, if they fail to fight piracy completely.



Figure 5: A pirated copy of “Beit il Zaher” found in a shop in Bourj Hammoud, Lebanon⁷⁶

⁷⁶ Photos Taken by Jihad Saade in a DVD shop in Bourj Hammoud, Beirut



Figure 6: A pirated copy of Lebanese Film “West Beirut” found in Bourj Hammoud⁷⁷

Bassam Eid, Production Manager and artistic coordinator at EMPIRE, discussed the Piracy situation in Lebanon in an interview with the Lebanese News site: ‘Now Lebanon’. Eid mentions that the IPR office decided to sue every pirate in Lebanon. After dividing Lebanon geographically in December 2008, he was assigned to cover the North of Lebanon and Tripoli. To his surprise, in January 2009 a higher political source told him to forget the case in Tripoli. The search for pirates in Tripoli was cancelled. Eid found that very interesting since he knew that there were pornographic theaters in Tripoli with posters advertising the films even though they had no permission from the General Security office. Also, in Tripoli there are theaters which project films from pirated DVDs. Among the films which are pirated in Tripoli there are many Lebanese films.

In the interview, Eid also talks about the many times where they went to search suspect shops with the appointed detective and they would find the shop closed only to open again

⁷⁷ Photos Taken by Jihad Saade in a DVD shop in Bourj Hammoud, Beirut

just after the raid. This makes it obvious that someone went ahead of them to warn the shop owner! But who knew exactly when the raid would take place? Who had so much information? Eid raises the questions: Where is the General Security in Tripoli? Do they only have the authority to observe and not take action?

Eid says, “Just next to the cinema and the film distributor’s office and not too far from the police department, stand the pirates of the Lebanese streets. They hold leather bags or boxes which contain the most recent film releases even before they are shown in the movie theaters or even more films which the Lebanese censorship office has banned in Lebanon. This is the peak of ‘Schizophrenia’.”^[78]

Conclusion

Lebanon is a problem when it comes to Piracy because many areas are protected by political factions. “There is a CD factory in Haret Hrayk area, producing music CDs, computer games, and software, both locally and for export. It has been operating openly for years, and it has never been touched,” says Intellectual Property Lawyer Walid Nasser. He carries on saying that there are many other factories on all the Lebanese territories and many people are being arrested. “We find that we are arresting the same people over and over” says Nasser. “They pay the fine, and then they go right back to what they were doing- they treat the fine as just a cost of doing business.” On the other hand, the UAE has started jailing pirates⁷⁹. In relation to this, the director the Lebanese Movie "Falafel" Michel Kammoun said "It is so hard and it really hurts to see your movie in this situation.

⁷⁸ <http://nowlebanon.com/Arabic/NewsArchiveDetails.aspx?ID=94079>

⁷⁹ <http://nowlebanon.com/Arabic/NewsArchiveDetails.aspx?ID=94079>

We are fighting for a good cinema and we are trying our best. We are trying to give the best without infrastructure and we expect at least protection for our rights and for our labor right from the government since it cannot be active and contributing in the productions and financing ... it is really absent which leaves us in this crisis without any action or help"⁸⁰.

“The law exists but nothing practical is being done to fight Piracy in Lebanon.”

⁸⁰ Interview with director Michel Kammoun

Chapter 5

Recommendations and General Conclusion

5.1 Worldwide Actions against Piracy

In the United Arab Emirates, if the government finds a site from which one can download pirated films they quickly block the site. Also, if they find a shop which sells pirated films, the shop is closed right away.⁸¹

According to lawyer Elie Attieh, In Riyad airport (Saudi Arabia) you can not pass without a control on all DVDs, CDs and even USBs and hard disks... every unauthorized material that you have will be confiscated. Lawyer Attieh then says “But in Saudi Arabia they have a budget for this kind of control, you need personnel and special equipment.”

In July 2007, The Fiji Audio Visual Industry Association president, Chris Caine said they confiscated pirated DVDs with the help of the police, which had the authority to carry out such raids.⁸²

In Australia a campaign was launched to stamp out movie piracy by implementing a five year jail term charge for pirates. Australian police are also warning that it is also a crime to knowingly buy a pirated film.⁸³

⁸¹ www.nowlebanon.com

⁸² http://www.oto-online.com/index.php?option=com_content&task=view&id=182&Itemid=42

⁸³ www.abc.net.au

In an article found on www.dailymail.co.uk, reporter Emily Andrews wrote about a Pakistani family (A father and two sons) who ran a 7 million pound empire by producing and selling 350,000 pirated DVDs per week or one every two seconds. The family was imprisoned in the UK for a total of 16 years. Khalid Sheikh and his two sons aimed to dump the UK with pirated DVDs but they were caught and that was the end of the empire they built from stealing the rights of others!

Below you can see a picture of the machine they used to copy their thousands of DVD's.



Figure 7: Machine Used to Copy Pirated DVDs

Another piracy arrest took place in New York, August 29, 2007 but this time not by the police. Two disc-sniffing dogs assisted Queens County and Motion Picture Association of America authorities to ferret out the alleged culprits, who became the nation's first to be hunted by black Labrador retrievers trained to sniff out polycarbonate and other chemicals in optical discs. Yes two dogs were able to smell their way to pirated DVDs. "Man's best friend has become a DVD counterfeiter's worst nightmare as we now welcome this latest weapon into our law enforcement anti-piracy arsenal," Queens County District Attorney Richard Brown said.⁸⁴

Nobody can say that piracy no longer exists in the aforementioned countries or in the many other countries that are imposing serious measures to stop piracy but at least something is being done. Once pirates realize that serious measures are being taken, this will minimize their activity... for fear of being caught!

Why there are no serious measures taken in Lebanon? In fact, that is not the only question that arises.

- **China**

In an article posted by Ace Carter on the net dated November 27, 2007, the headline read: "Paramount and Warner Bros sell \$3 DVDs in China to combat piracy". The article stated the following:

In an attempt to combat the increasingly high number of pirate DVDs, Paramount has joined Warner Brothers and is selling their DVDs for a low price of \$3. And these are no bargain bin movies. These are new movie titles that will go on sale some two months after their theater debut in the US.

⁸⁴ www.dogboston.com/blog/2007/08

Time Warner was the first to try to undercut Chinese movie pirates by selling cheap DVDs in mid-2006. It formed Warner China as a partnership between Warner Bros., China Film Group, and Hengdian Group to sell movies just days after theatrical release for rock-bottom prices: just 10 to 12 yuan (between \$1.30 and \$1.60). Warner was followed by Fox a few months later, which planned to mirror that strategy but at a higher price, about 20 to 25 yuan, which translates to about \$3. The \$3 price tag is still over twice as high as a pirated copy, but the studios hope that customers will learn the value of the legal versions⁸⁵.

- **Australia**

Below is a table which shows the effect of price reduction on DVD sales in Australia. This study covers the period from 1999- 2007.

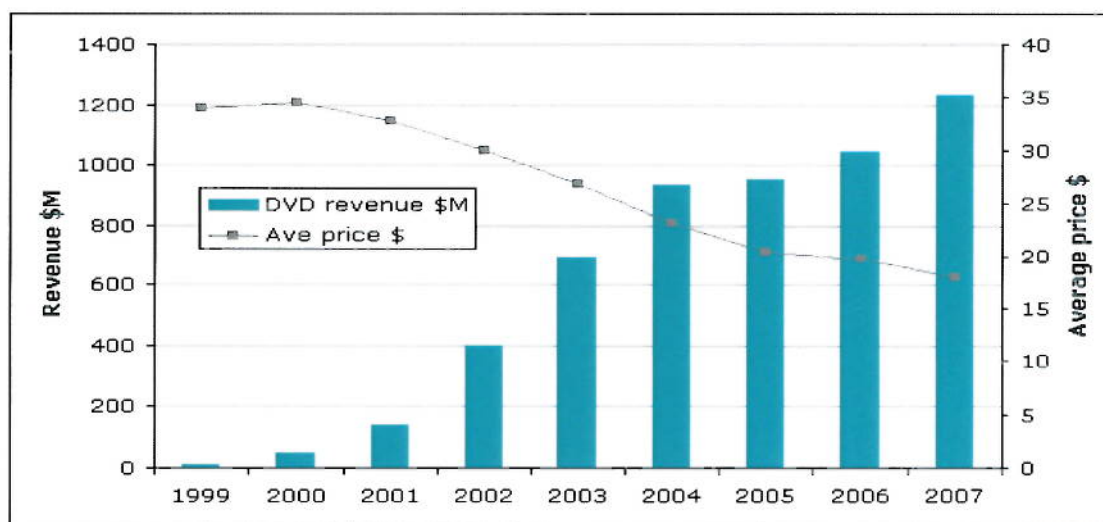


Figure 8: The Dependency of the DVD Price on the Increase of DVD Sale in Australia⁸⁶

⁸⁵ News website: www.afterdawn.com / www.gizmostyle.com

⁸⁶ Stilgherrian www.crickey.com.au

- U.K.



Figure 9: A Picture Taken from an Airplane for the Counter Piracy Campaign in UK⁸⁷

The industry Trust Action

Industry Trust is a private organization that was set up in 2004 to help promote copyright and all the good stuff it does. "We work together with our member companies (from film studios to retailers) to spread the word about the positive role copyright plays in helping to protect creative ideas and secure the livelihoods of the 150,000 people that work in film and TV in the UK"⁸⁸.

⁸⁷ www.piracyisacrime.com

⁸⁸ www.piracyisacrime.com

YOU MAKE THE MOVIES CAMPAIGN



Earlier this year, a set of new cinema trailers was released with the tagline ‘You Make the Movies’ thanking people for buying genuine DVDs, downloads and cinema tickets and acknowledging the role that everyone can play in making the British film and TV industry a continued success⁹⁰.

"It's also great news for the runners, the stunt guys, the set dressers, make-up artists, in-between-shoots cups of tea people... the guy who sells the popcorn, the girl who stocks the DVDs at your local rental shop - and everyone else, behind the scenes of UK film and television.

Those 150,000 people working in jobs that are related to film and TV in the UK chose their way of saying THANK YOU! For supporting the film industry

“You really do make the movies”.

⁸⁹ <http://www.youmakethemovies.co.uk>

⁹⁰ <http://www.youmakethemovies.co.uk>

Lebanese Facts and Suggestions

Hajj Rifaat Atat, a sixty-year-old Lebanese man, says: “Khaye”, stop saying copy or original. I will put things in a balance. I know the importance and necessity of buying an original DVD but unfortunately I cannot afford it! But I also know how important for my children to watch Fairuz in Safar Barlek!”⁹¹

Lebanese people do realize and acknowledge the threat and illegality of Piracy. They know that when they buy a Pirated DVD they are doing something wrong. But at the same time nothing is being done to encourage people to buy original DVDs. Most importantly the prices of DVDs in Lebanon are obscene⁹². Although the purchasing power of a Lebanese customer is very low compared to Europe and the US⁹³, original DVD prices are the same and even some DVDs are cheaper abroad. For this reason the researcher thought of making a contact with major DVD retail stores to have scientific and reasonable convincing answers about those prices.

The researcher then contacted the DVD retails department responsible “Virgin Megastore” in Lebanon so as to talk to them about the effect of piracy on their sales and what they thought the solution could be but the DVD retails responsible at Virgin refused to give him a meeting. Their rejection may either be due to that they have given up on the issue of piracy or they simply do not want to help in stopping piracy.

When taking a look at the prices of DVDs sold at Virgin (Lebanon), one can find the results in the following table:

⁹¹ Interview with Lebanese citizen Hajj Refaat

⁹² The survey results in chapter 3.

⁹³ <http://al-insaniyyah.blogspot.com/>

Film	Price at Virgin (Lebanon)
Fairuz Movies	\$19.90
When Mariam Spoke	\$24.50
Zozo	\$21.90
Ilayka Aynama Takoun	\$25
The Kite	\$21.99
Under the Bombs	\$19.99
Bosta	\$ 22
Mishwar	\$19.90
West Beirut	\$22
Caramel	\$21.90

Table 5: Price of Lebanese Film DVD at Virgin Megastore, Beirut ⁹⁴

During the meeting with Phillippe Araktinji, he explained how his DVDs are priced: He said, “To sell my film on DVD it costs me:

\$4 for each copy (with DVD, Menu, Cover design and print)

\$4 as his profit for each DVD

The distributor then adds \$3 USD as his profit

The rest is what the dealer adds as profit

Araktinji says that pirates can sell their DVDs for lower prices because they do not have to pay for taxes and many other expenses.

Virgin pays \$11 for the DVD. So that means when Virgin is selling Phillippe Araktinji’s film ‘Bosta’ for \$22, they are making an approximately 100% profit.

How can one put the blame on the public for buying a pirated copy when the price of each original DVD is so high? [⁹⁵]

⁹⁴ Prices Taken from the DVD stands at Virgin Mega Store, Beirut.

⁹⁵ Interview with director Phillippe Araktinji

The Rotana Case

Recently Rotana made a very proactive move towards decreasing piracy. Instead of buying an original music CD for around \$15, all Rotana CD's are now sold for \$3.99. Obviously Rotana is still making some profit.

Mr. Hadi Hajjar, Rotana's Regional Marketing Manager of the Music Division, mentioned that sales of CDs and cassettes worldwide were dropping due to the progress of technology and the illegal access of songs from pirated CDs and web downloads.

"Sales were dropping not only 40% or 50% , but even reached up to 90%... we were studying the reasons for the drop and the source of the crisis to extract the solutions from it" Said Hajjar.

"The study that was done by an international marketing company came up with many solutions, one of them was raising the price of the audio CD from \$10 to \$20. In this case you will double your income."

Hajjar presented another plan to save the CD's physical sale:

A marketing plan was launched for malls and key places. (In a country like Lebanon, people prefer buying their needs from malls or supermarkets instead of luxurious outlets). The presence of the CD in such places will help the CD's physical sales to stay active. In parallel with this campaign the original price of the CD would be cut down to \$4.

The original cost of an audio CD is \$3. Sales raised a minimum of 5 times after the \$4 campaign which was a pan Arab campaign. We had more sales but we did not achieve more revenues. The benefit is that now original CDs are available 5 times more among the people. People are starting to accept and become familiar with the idea of buying an

original product... it is a step in a 1000 miles plan. This is a real weapon to fight pirated CD selling because I would rather gain \$1 from an original CD than earn nothing from millions of pirated copies.”

Hadi Hajjar went on to say, “Lebanese people do not consider going to the movies a must. For them it is a luxury, they go only for entertainment after having enough of their argileh gathering. They don't go for culture!”^{96]}

5.2 Proposed Solutions

In Lebanon, we are capable of gathering money from admissions to movies and as mentioned before, distributors and retail shops are also able to sell DVDs. Around 3000 DVD copies can be attained in the Lebanese market and up to 30 000 worldwide⁹⁷.

Fighting Piracy involves many players and it is necessary that each assumes his responsibility. It is very clear that Piracy is an issue but what is the solution?

Responsibilities and solutions are divided among five major categories:

The Role of the Government

- **Implementation of the Law (Punishment)**

It is great that the government acknowledges Piracy as a problem and sets laws against it.

But the law alone is not enough. Implementation is needed. The government must make

⁹⁶ Interview with Hadi Hajjar, Marketing manager, Rotana

⁹⁷ Interview with director Philippe Aractinji

sure to raid the shops via specialized members from its bodies to destroy any pirated DVD in any shop. The law must be implemented and inclusive of all Lebanese cities.⁹⁸

- **Financial support**

Also the government should use the taxes taken from Media and entertainment sectors to support the Lebanese film. These taxes should automatically go into the budget of the Lebanese films funding as is done in many countries.

- **Creating Awareness**

If the Ministry of Commerce is unable to support the Lebanese films, why not at least support an Anti-piracy campaign. When you buy an international DVD it starts with an Ad or warning against piracy. Australia has also recently launched advertisements warning consumers about the dangers of the flourishing trade.

Another powerful action launched in the U.K. where heavy-handed commercials that run before films and DVDs reminding consumers that piracy is a crime were replaced with a positive message thanking viewers for supporting the industry in a series of ads spoofing classic films such as Jaws, Life of Brian and Lord of the Rings.

The ads, part of an anti-piracy campaign called "You Make the Movies". Rather than trying to shame the public into not buying pirated DVDs, the entertainment industry is now trying to get people to understand that the money they spend legitimately on film and TV merchandising helps pay for more high quality content. The ad ends with a celebrity person's voiceover saying:

⁹⁸ Interview with lawyer Nasri Brax

"Your cinema ticket helps support the film industry in the UK. Thank you".⁹⁹⁻¹⁰⁰

Why not adopt or customize such campaigns or ads for Lebanese films. This would be a reminder for all people watching the DVD that they are contributing to the growth and wealth of the Lebanese cinema.

The Role of the DVD Distributors

According to Senior Marketing Manager at LBCI Paul Boulos, "The distributors have the upper hand when it comes to negotiations and sales percentage¹⁰¹.

The Rotana case study should be an excellent example for all DVD distributors. Why not sell thousands of original DVDs for a low price, if distributors want the Lebanese society to buy original DVDs and not copies, they need to take into consideration the monthly income of an average Lebanese person. Also they need to keep in mind how much this Lebanese person pays for fuel for the car, the house and car loan, the school or university tuition, the high cost of living and all other expenses. If they want to encourage people to buy original DVDs for the same high price they are sold now then they are fooling themselves. It will not work!

"We need **good legal offers**. We need to make it easy for consumers to follow the legal approach. This has to be made as easy as it currently is to infringe. We want to see creators

⁹⁹ Mark Sweney, Campaign against film piracy tells moviegoers how precious they are, guardian.co.uk, Thursday 2 April, 2009.

¹⁰⁰ www.youmakethemovies.co.uk

¹⁰¹ Tom Scudder, MEB Journal, March-April 2008.

and distribution businesses working together to give consumers the incentives to stay within the law.¹⁰²”

The Role of Education

Appreciating art, creativity and human thought is an education and part of the human mentality. Once we can teach our students and children this way of thought then ultimately we are reinforcing buying and appreciating original DVDs. Universities and Schools need to be proactive on this issue. Generations should be taught that creativity is priceless. Artists should be awarded so they can become more productive and give better results. All schools and Universities should bring this into their curriculum. It could be as an awareness program done annually or it could be through one of the classes such as Sociology or Ethics. The artistic and mental productions are profitable investments. People should reject the idea that piracy is an acceptable way to behave.

“We need them to understand and respect the value of content. We need to stop that man in the DVD store thinking that it is acceptable to advise his customers to buy or rent illegal movies.¹⁰³”

¹⁰² Wood Lane, BBC Television Centre, London, May 6, 2009.

¹⁰³ Wood Lane, BBC Television Centre, London, May 6, 2009.

The Role of the Business Community

Movie promoters may need to look for innovative ways to attract people to the movie theatres. People are not going to theatres anymore because of the remarkable impact of TV on movie goers and the availability and the cheap price of the DVD copy. The business community of the theatres owners and the marketing department of these companies should create persuasive ideas in order to encourage people to go to the theatres and buy a Lebanese movie ticket. They can for example offer gifts such as t-shirts, pens, caps, mugs and many other items. Gadgets and gifts corner can be influential. In addition they can make a deal with the stars of the movies to be present in the theatres lobby before and after the show in order to take pictures and have them sign autographs for their fans. New items in the cafeteria as well may attract some extra audience. New theatres should be open in key places like Malls where there are music and restaurants in addition to a kids corner.

Going to the cinema is considered like going to an event because it costs a family of four children plus their parents about \$45 US approximately for the tickets purchase only; they also have to pay for the car gas, popcorn, juice and sandwiches. This visit should satisfy them more than just watching the movie.

The Role of the Rights' Owner

Maybe in a country like Lebanon one should never give up on his case even if it takes years to get his rights! In an interview with Lawyer Elie Attieh, he said: "I am an IPR lawyer specialist and I did not receive any claim for DVD piracy, maybe the rights owners'

are not that aware of their rights or that the Lebanese market is not that remarkable for the sum of revenues.” Attieh put more responsibility on the rights owner by saying, “The holder of the rights should be very active, he should even give the case to a lawyer or take the initiative to do research, follow the sources and collect some facts and present a file to legal council and follow it up.” He also mentioned that the government has thousands of law suits they are working on and they give the priority to the ones which have a lawyer following them up. Attieh claims that we cannot blame the government and expect them to “knock on your door and give you back your rights” if we do not follow up the case. Attieh encourages rights owners to “have an aggressive fight” and start to Lobby against Piracy! [104]

The Role of the Lebanese Consumer

Last but not least is us, the consumers. We could sit for hours and days discussing this issue and trying to come up with solutions. People could write books and fill libraries with possible solutions against piracy. But if we do not individually take the initiative and say NO TO PIRACY... then there will never be a change. We should be active contributors if we really care about this industry, we should believe that serious measures are to be taken and soon the trend will pass on... who knows it may be contagious! As Michael Jackson says in his song, “I’m starting with the man in the mirror! I’m asking him to change his ways. And no message could have been any clearer ...”¹⁰⁵

¹⁰⁴ Interview with lawyer Elie Attieh

¹⁰⁵ Michael Jackson, Man in the Mirror Song.

5.3 General Conclusion

The negative effect of DVD piracy on the Lebanese film productions is evident; it is very dangerous for the future of our industry to keep this situation as it is now without taking any actions and measures. In a country like Lebanon where the local market is very limited (population of 4 millions) compared to Egypt for example (population of 80 millions), piracy can be more damaging and destructive. In Europe and America, piracy is affecting the income of movies also, but the loss is retreated from the profit and not from the break even of the movie.

A rate of 2 to 3 films per year is very low for a country like Lebanon and it is considered as bad indicator for the future of having a real film industry.

Can anyone imagine how cinema can be beneficial for this country?

Economically, a lot of job opportunities will be available for professionals and for fresh graduates, young enthusiastic artists majoring in cinema.

On another level, movies are a very powerful tool to promote the culture and the identity and image of a country.

Film emerged as one of the first mass-produced cultural forms of the twentieth century.

The whole world now is concerned about Americanization; movies have been a major tool for promoting the American life style and super heroes. Hollywood film is an effective arm of media culture to sell the "American way of life"¹⁰⁶.

¹⁰⁶ Douglas Kellner, *Hollywood and Society*; encyclo art. *Hollywood Film and U.S. Society: Some Theoretical Perspectives*.

The total number of features films produced in Egypt is about 50 movies per year on average¹⁰⁷. The entire Arab region speaks and understands the Egyptian language fluently although very few people visited Egypt; Egypt visited those viewers through the silver screen or the TV screens. How many times people choose the pyramids as a touristic location to visit or decided to go to “Sharam al Sheikh” after seeing those places in a movie?

Can anyone imagine a rate between 8 to 12 films produced in Lebanon per year that participate in international festivals and be released regionally and internationally? How positive this can be in order to spread our culture, educational background, life style and the beauty of the nature and civilization?

Lebanon is the cradle of art and culture in the region and the 7th art should be respected and preserved for all what it can offer for the country.

At the end, hopefully this study with its recommendations will help in the development and growth of the Lebanese cinema and stop or reduce the DVD piracy with its bad effects. This may create many ways to encourage more investors and believers in the Lebanese films in order to create an independent industry and spread the art and the thoughts to the whole world.

¹⁰⁷Oliver Leaman, Companion Encyclopedia of Middle Eastern and North African Film.

Appendix A

Questionnaire

The purpose of this study is to examine the aspects of copied DVDs vs. original in the Lebanese market and its possible influence on film making in Lebanon.

The information gathered in this survey is to be used for this study only. I guarantee the anonymity of all contributors, and thank you for your participation.

If you wish to know the results of this study, please write down your email address:

1. When a film is newly released, how do you prefer to watch it?

(1) DVD (2) Theater (3) Both

2. Do you rent DVDs?

(1) Yes (2) No

3. Do you collect DVDs?

(1) Yes (2) No

4. How many DVD movies do you own?

(1) Less than 20 (2) 20 to 50 (3) 51 to 100

(4) 101 to 150 (5) 151 to 200 (4) more than 200

5. How many of them are originals?

- (1) All of them (2) Most of them (3) Half of them
- (4) Few of them (5) None of them

6. What factor(s) make you purchase a DVD copy? Please write down.

- 1) -----
- 2) -----
- 3) -----
- 4) -----

7. Do you prefer to buy a DVD copy for, 2000LL, or rent an original one for the same price?

- (1) Buy / why? -----)
- (2) Rent / why? -----)

8. What factor(s) make you purchase an original DVD?

- 1) -----
- 2) -----
- 3) -----
- 4) -----

9. Do you agree that buying a pirated DVD is a crime?

(1) Yes (2) No

why? -----)

10. How, in your opinion, can the movie making industry encourage the audience to

stop buying and watching pirated DVD copies?

1) -----

2) -----

3) -----

4) -----

11. Are you interested in the Lebanese cinema?

(1) Yes (2) No

12. How do you prefer to watch a Lebanese film?

(1) Movie theater (2) Rent (3) Buy a pirated copy (4) Buy an original

13. What is your favorite Lebanese movie? -----

14. Do you own the DVD of your favorite movie?

(1) Yes (2) No

20. What is your sectarian affiliation? -----

21. Education Level

- (1)PHD
- (2)Master
- (3)Bachelor
- (4)DiplomaQualification
- (5) Other

23. Income

- (1) Less than \$500
- (2) \$500 - \$1000
- (3) \$1000 - \$1500
- (4) \$1500 – \$2000
- (5) More than \$20

“Thanks for your kind co-operation.”

Appendix B: List of Lebanese Films

Films of the 2000's

Year	Title	Director
2000	S.L.Film	Shady Hanna
2001	Taif Al-Madina	Jean Khalil Chamoun
2002	Lamma Hikyit Maryam	Assad Fouladkar
2003	The Kite	Randa Chahal Sabbagh
2003	Lady of the Palace	Samir Habchi
2004	In the Battle Fields	Danielle Arbid
2005	Bosta	Philippe Araktinji
2005	Zozo	Josef Fares
2005	A Perfect Day	Khalil Joreige & Joanna Hadjithomas
2006	De ma fenetre, sans maison	Maryanne Zehil
2006	Le Dernier home	Ghassan Salhab
2006	Falafel	Michel Kammoun
2007	Al Mashhad Al Akhir	Ghassan Estephan
2007	Caramel	Nadine Labaki
2007	Ghanoujet Baya	Elie F. Habib
2007	Under the Bombs	Phiippe Araktinji
2007	Khalas	Burhan Alaouie
2007	Leylet Eid	Caroline Milan
2008	Khalik Ma'ae	Elie F. Habib
2008	Amour d'enfants	Fares Khalil
2008	Madame Bambino	Caroline Milan
2008	Beirut Open City	Samir Habshi
2008	Je Veux Voir	Khalil Joreige & Joanna Hadjithomas

Table 1: Lebanese Feature Films since 2000 till Present¹⁰⁸

¹⁰⁸ Internet Movies Data Base: www.imdb.com

Appendix C

The Lebanese IPR Law

Definitions

1. For the purpose of applying the provisions of this Law, the meaning of the terms and expressions hereinafter shall be as follows, unless otherwise indicated in the context. These definitions apply also to related rights.

"Performance of work" means the execution of a work through exhibition, playing music, reciting, narrating, acting, dancing or any other means whether directly or through any means or device.

"Public performance" means a performance which is given in a place or places where the number of persons present exceeds the members of one family and their direct acquaintances.

"Broadcasting" means the transmission of the work for public reception by wireless means including transmission by satellite.

"Computer program" means a set of orders expressed in words or symbols or in any other form which when entered into a matter readable by a computer shall enable the computer to perform or execute a certain task or give a certain result.

"Phonogram/sound recording" means every fixation by any physical means of the sounds of a performance or of other sounds, whether resulting from the performance of a work or not, other than a fixation incorporated in an audiovisual work.

"Reprographic reproduction" means making copies from the original of a work by means other than printing, such as photocopying, and includes enlarged or reduced copies of the work.

"Related rights" means the rights that performers, producers of phonograms, television and radio broadcasting organizations and publishing houses enjoy.

"Work" means every work within the meaning of Articles 2 and 3 of this Law.

"Collective work" means a work in which more than one natural person participates under the initiative and supervision of a natural person who, or legal entity which, undertakes to publish it under his/its own name.

"Audiovisual work" means every work consisting of a set of consecutive images related to each other, whether accompanied by sound or not, and that gives the impression of motion if displayed, broadcast or transmitted with special devices.

"Work of joint authorship" means every work created by more than one author on condition that the said work does not constitute a collective work.

"Producer of sound recording/phonogram or audiovisual work" means the natural person who, or legal entity which, takes the initiative and responsibility for producing the audiovisual work or sound recording/phonogram.

"Author" means the natural person who creates a certain work.

"Reproduction" means making one or more copies of any work by any means or in any form, including a permanent or temporary recording on phonogram records, tapes, disks, electronic memory, and this also includes issuing a copy in two dimensions of a three-dimensional work, or a copy in three dimensions of a two-dimensional work.

"Copy" means the product of any copying, recording, printing, or photocopying of the original work.

"Publication" means making copies of the work or of the sound recording/phonogram available to the public in reasonable quantities with the consent of the author or the producer of the sound recording/phonogram, by means of selling, renting, or any other means of property transfer or acquisition of a copy of the work or the sound recording/phonogram or of the right to use them. The word "publication" also means making copies of the work or sound recording/phonogram available to the public by any electronic means.

The performance of a dramatic, dramatico-musical, cinematographic or musical work, the public recitation of a literary work, the communication by wire or the broadcasting of artistic or literary works, the exhibition of a work of art and the construction of a work of architecture shall not be considered publication.

A sound recording/phonogram is not considered published if received by any device, or means or if broadcast.

"Communication to the public" means making the work available to the public by wire or wireless transmission of sounds and/or images, in such a way as to allow the public to hear or view the work at a distance from the broadcasting center.

This includes making the work available to the public by wire or wireless means (like the internet) in such a way that every person may access it from a place and at a time chosen by them.

Protected Works

2. The protection of this Law shall apply to every production of the human spirit be it written, pictorial, sculptural, manuscript or oral, regardless of its value, importance or purpose and the mode or form of its expression.

The protection of this Law shall apply, among other works, to:

- books, archives, pamphlets, publications, printed material and other literary, scientific and artistic writings;
- lectures, addresses and other oral works;
- audiovisual works and photographs;
- musical compositions with or without words;
- dramatic or dramatico-musical works;
- choreographic works and pantomimes;
- drawings, sculpture, engraving, ornamentation, weaving and lithography;
- illustrations and drawings related to architecture;
- computer programs whatever their language and including preliminary work;
- maps, plans, sketches and three-dimensional works relative to geography, topography, architecture or science;

- any kind of plastic art work whether intended for industry or not.

3. The following derivative works shall be subject to the provisions of this Law and shall be protected as original works without prejudice to the rights in the original work:

- translations, adaptations, transformations and arrangements of music;

- collections of literary or artistic works and compilations of data, whether in machine-readable or other form, provided that they are authorized by the copyright holder or his public or private successors and that by reason of the selection and arrangement of their contents they constitute intellectual creations.

4. The following shall be excluded from the protection provided by this Law:

- daily news;

- laws, legislative decrees, decrees and decisions issued by all public authorities and official translations thereof;

- judicial decisions of all kinds and official translations thereof;

- speeches delivered in public assemblies and meetings. The authors of speeches and presentations shall enjoy the sole right of collecting and publishing such lectures and presentations;

- ideas, data and abstract scientific facts;

- artistic folkloric works of all kinds. However, works inspired by folklore shall enjoy protection.

Copyright Holder and Terms of Protection

5. The author of any artistic or literary work shall, as a result of the creation of the work, have an absolute property right over his work and shall reserve all his rights without having to follow any formalities.

6. In the case of a joint work in which each contribution consists of an integral part of the work as a whole, all the contributors shall be considered coauthors and co-owners of copyright in the work. However, if it is possible to distinguish the contribution of each

author from the others, each of the joint authors shall be considered the author of his own contribution.

In a joint work, none of the coauthors may, in the absence of any written agreement to the contrary, exercise copyright without the consent of the other authors.

7. In the case of a collective work, the natural person who, or legal entity which, took the initiative to create the work and supervise its execution shall, in the absence of any agreement to the contrary, be considered the copyright holder.

8. In the case of a work created by natural persons working under a work contract for a natural person or legal entity in the course of performing their duties or professional obligations, the employer shall, in the absence of any agreement to the contrary, be the copyright holder and shall exercise the rights provided for in Article 15 of this Law.

9. In the case of an audiovisual work, the producer shall, in the absence of any agreement to the contrary, be considered the copyright holder.

10. In the case of anonymous and pseudonymous works, the natural person who, or legal entity which, published the work shall be considered the author. However should the identity of the author be revealed, he himself shall exercise these rights.

11. The person whose name is shown on a literary or artistic work in the commonly known way shall, unless proved otherwise, be considered the author.

Criteria of Eligibility for Protection

12. The protection of this Law shall apply to the artistic and literary works of the following:

- Lebanese authors, wherever they reside;
- non-Lebanese authors who are nationals of, or resident in, a State party to the Berne Convention for the Protection of Literary and Artistic Works or the Universal Copyright Convention;
- authors who are nationals of any State that is a member of the Arab League but which is not party to the above-mentioned Conventions, provided reciprocal treatment is applied;

- producers of audiovisual works who have their headquarters or habitual residence in Lebanon or in any State party to the Berne Convention for the Protection of Literary and Artistic Works or the Universal Copyright Convention.

13. The protection of this Law shall apply to:

- literary and artistic works first published in Lebanon;
- literary and artistic works first published in a State party to one of the above-mentioned Conventions;
- literary and artistic works first published outside Lebanon and outside the States party to one of the above-mentioned Conventions, provided that they are published in Lebanon or in a State party to the above-mentioned Conventions within 30 days of their publication in the other country.

Rights Enjoyed by Copyright Holders

14. The copyright holder shall enjoy economic and moral rights.

15. The copyright holder shall have the exclusive right to exploit the work commercially and, accordingly, shall have the right to authorize or prohibit the following:

- any copying, printing, recording and reproduction of the work in any manner or form including photography, cinematography, sound or visual recordings of any kind or any other form;
- any translation, adaptation, alteration, transformation, summarizing, reworking of the work or rearrangement of the music;
- the sale, distribution or rental of the work;
- the importation of copies of the work manufactured abroad;
- the public performance of the work;
- communication to the public of the work by wire or wireless means, whether through hertzian waves or the like or through coded or uncoded satellites, including the rebroadcast

of normal television or radio broadcasts or satellite transmissions by any means of diffusion of sounds and images.

16. The economic rights of the author shall be considered as movable rights and may be transferred in whole or in part.

17. Any contract for the exploitation or assignment of economic rights shall, whatever its subject, be drawn up in writing, otherwise it shall entail nullity of the contract. It shall set out in detail the rights covered by the contract and indicate the time and location. The contract shall also require that the author gets a percentage of the exploitation revenues and assignment proceeds. If such a contract does not set a time limit, it shall be valid for 10 years only from the date of signature of the contract.

18. The assignment in whole of future works shall be considered as void.

19. The assignment by the author of any of his rights must be limited in all cases to that right only and copyright contracts shall be construed in a restrictive manner.

20. The author and composer of a song shall have equal rights in that work, unless agreed otherwise.

21. Independently of the rights provided for in the previous Article and even after the assignment of the said rights, the author shall enjoy the following moral rights:

- the right to disclose the work and to determine the way and method of such disclosure;
- the right to claim authorship of the work and to have his name mentioned on every copy of the work each time the work is used in public;
- the right to use a pseudonym or to remain anonymous;
- the right to object to any distortion, mutilation or modification of the work which would be prejudicial to his honor, reputation, fame or artistic, literary or scientific position;
- the right to rescind contracts for the assignment of economic rights even after their publication if rescission is necessary to safeguard his person and reputation or is due to a change in his beliefs or in the circumstances, provided that third parties are compensated for damage resulting from such rescission.

22. It shall not be permitted to assign or attach the moral rights of the author but the said rights may be transmitted by testamentary disposition or inheritance laws.

Deposit

76. Works, sound recordings, performances, and radio or television programs shall be deposited with the Intellectual Property Protection Office at the Ministry of Economy and Trade.

The deposit shall constitute a presumption as to the ownership by the depositor of the work, the sound recording, the performance or the radio or television program. Such presumption may be refuted by all available means.

77. Copyright holders, holders of related rights or their particular or universal successors who wish to make a deposit must submit to the Intellectual Property Protection Office an application signed by them or their agent containing the following information:

- the title and the type of work, sound recording, performance or radio or television program;
- the name, title and address of the author or the holder of related rights. If the author or the holder of related rights does not make the deposit personally, the foregoing information must be given in respect of the depositor as well;
- if the depositor is a person other than the author or the holder of related rights, the type of document on the basis of which the depositor has submitted the application for deposit;
- where necessary, the name and address of the person responsible for the physical execution of the work (the printer, the molder, etc.).

The application for deposit must be accompanied by:

(a) if the applicant is a person other than the author or the holder of related rights, a copy or a summary of the document on the basis of which the deposit is made (power of attorney, assignment, contract or agreement...);

(b) three copies of the work or the subject of the related right. In respect of pictures, oil paintings, water colors, statues, works of architecture or other works having only one

original, a photographic or non photographic reproduction of the work in three dimensions shall be provided showing the shape and form of the work in whole and in detail.

78.-(1) The application for deposit shall not be accepted unless it is accompanied by the prescribed fee set out in this Article.

(2) The fees charged by the Intellectual Property Protection Office shall be as follows:

- deposit of a printed work, LBP 50,000;
- deposit of a motion picture, video film or sound recording, LBP 175,000;
- deposit of a daily or periodic publication, (for one year) LBP 75,000;
- deposit of a picture, drawing, map, post card, photograph or daily or periodic publication, (1 copy), LBP 25,000;
- deposit of any other material not mentioned above, LBP 50,000;
- recordation of a contract of deposit with the Office, LBP 50,000;
- facsimile copy of a certificate of registration, LBP 25,000.

79. The application for deposit shall be registered at the Intellectual Property Protection Office. A certificate shall be delivered to the applicant mentioning the information stated in the application and it shall be accompanied by one of the three copies deposited with the Office.

The certificate shall be dated, sealed and signed by the head of the said Office. The first certificate shall be granted free of charge and the Office shall charge the prescribed fee referred to in the previous Article for subsequent requested copies of this certificate.

80. Any contract concluded with regard to any work, sound recording, performance or radio or television program registered at the Intellectual Property Protection Office may also be recorded with the said Office.

Provisional Measures, Damages and Sanctions

81. Where there is ground for suspecting an imminent infringement of copyright or a related right, the holder of these rights or his public or private successors, in particular the associations or companies for the collective administration of rights, shall have the right to take all necessary provisional measures to prevent such infringement.

For this purpose, the judge of expedited matters may take all decisions authorized by the law, in particular, ex-parte decisions, in order to ensure the protection of the right or the work that is likely to be infringed and all the other works owned by the author or the holder of related rights. The judge of expedited matters may impose coercive measures to enforce his decisions. In addition, the president of the competent court of first instance or the competent public prosecutor shall have the right to take the provisional measures referred to above.

82. The judge of expedited matters, the president of the court of first instance or the public prosecutor may temporarily seize material constituting evidence of an infringement of copyright or a related right and shall leave it in the custody of the defendant.

83. In case of infringement of copyright or a related right, the holders of these rights may have recourse to the competent judicial authority and seek the cessation of the infringement and the prevention of any future infringement.

84. Any person who infringes copyright or a related right shall be required to pay fair compensation to the right holder for the material or moral injury and damage incurred. The amount of such compensation shall be determined by the court based on the commercial value of the work, the damage and lost profit incurred by the right holder and the material profit realized by the infringer. The court may order the seizure of the subject matter in dispute and the equipment and devices used to commit the infringement.

85. Irrespective of whether the work has fallen into the public domain or not, shall be liable to imprisonment for a term varying from one month to three years and/or to a fine varying from LBP 5 to 50 million, any person who:

- fraudulently puts or instructs another person to put a false name on a literary or artistic work;
- fraudulently imitates the signature or the logo of the author with intent to mislead the buyer;
- knowingly imitates a literary or artistic work;

- knowingly sells, possesses, offers for sale or makes available an imitated or a plagiarized work.

The sanction shall be doubled in the event of a repetition of the offence.

86. Any person who, knowingly and with intent to make a profit, infringes or attempts to infringe copyright or related rights provided for in this Law shall be liable to imprisonment for a term varying from one month to three years and/or to a fine varying from LBP 5 to 50 million. The sanction shall be doubled in the event of a repetition of the offence.

The competent court may order the closure of the premises, the commercial establishment or the radio or television station that infringes copyright for a period varying from one week to one month and the destruction of all unauthorized copies and all the equipment and the devices used to produce such copies. The court may also order that its decision be published in two local newspapers at the expense of the defendant.

The provisions of Article 200 and subsequent Articles of the Penal Code shall be taken into account when applying this Article.

87. Any person who manufactures or imports for purposes of sale or rental, offers for sale or rental, possesses for the purpose of sale or rental, sells, installs or rents any device, equipment or machine manufactured in whole or in part to receive illicitly any radio or television broadcast or transmission destined to that section of the public that receives the said broadcast or transmission on payment of a set fee, shall be liable to imprisonment for a term varying from one month to three years and/or to a fine varying from LBP 5 to 50 million. The sanction shall be doubled in the event of a subsequent offence.

88. Any person who arranges or facilitates for third parties the reception of the transmission or broadcast referred to in the previous Article shall be liable to imprisonment for a term varying from one month to three years and/or to a fine varying from LBP 5 to 50 million. The sanction shall be doubled in the event of a subsequent offence.

89. With regard to the foregoing violations, legal action may be instituted by the public prosecutor ex officio or at the request of the person suffering damage or the president of the Intellectual Property Protection Office.

90. The court shall communicate any judicial decision issued with regard to the foregoing infringements to the Intellectual Property Protection Office within 15 days of the date of the decision.

91. It shall be strictly prohibited to import, consign to a warehouse or a free zone or transit sound recordings, or works that are imitations of sound recordings or works enjoying legal protection in Lebanon. Such sound recordings and works shall be seized wherever they are found.

92. The persons mentioned below shall have authority to identify, inventory and sample suspect objects. These persons shall be: police and customs officers and employees of the Intellectual Property Protection Office sworn in to that effect. These employees shall perform their duties pursuant to an order or a mandate issued by the public prosecutor or the Intellectual Property Protection Office and they shall notify the Office of all violations of the provisions of this Law that come to their attention. Sworn-in employees of the Intellectual Property Protection Office shall have police powers with regard to the implementation of the provisions of this Law.

Suspect articles may be seized, inventoried and sampled wherever they are found. A report must be drawn up of all sampling and inventorying and it must contain the following information:

1. the name, surname, title and place of residence of the employee who has drawn up the report;
2. the authority that has issued the order and the date it was communicated to the employee;
3. the date, time and location of the operation;
4. the name, surname, nationality, place of residence and profession of the person on whose premises the operation was carried out;
5. a detailed list of the suspect articles stating their number, kind and specifications;
6. the signature of the person in whose possession the articles or goods were found and if he refuses to sign, his refusal shall be mentioned;
7. the signature of the officer who has drawn up the report.

The proprietor of the goods shall have the right to mention in the report all the information and reservations he deems necessary and to obtain copies of the report and inventory if an inventory has been drawn up separately. Civil action or penal proceedings must be filed

with the competent court within 15 days of the date of the report otherwise the whole operation will be considered as void.

93. The court may, at the request of the plaintiff and before rendering its final judgment order the seizure of all or some of the articles stated in the report and inventory. In such case, the court may order the plaintiff to deposit with the court, prior to the seizure, a guarantee fixed by the court based on the value of the articles to be seized.

The order shall designate the employee mandated to carry out the seizure, the place where seized articles will be kept and the official receiver of such articles appointed by the court.

94. The officer who has carried out the seizure shall immediately draw up a report in two copies, one of which should be delivered to the person whose goods have been seized. The report shall be drawn up as prescribed in Article 92 and it shall be accompanied by an inventory of the articles seized. The person whose goods have been seized, shall sign both copies and if he refuses or fails to sign, his refusal or failure shall be mentioned in the space provided for the signature.

95. The person whose goods have been seized must be provided with the following documents:

1. the order of seizure;
2. the document that establishes the deposit of the guarantee with the court if the court orders the deposit of such guarantee;
3. the inventory of the articles seized;
4. the report of seizure.

96. If the Intellectual Property Protection Office carries out an investigation at the request of the person suffering damages, it shall charge him a LBP 100,000 fixed fee.

97. The judgment rendered with regard to the above-mentioned proceedings shall provide for the imposition of the following complementary penalties:

1. the judgment shall be posted at the places designated by the court and it shall be published at the expense of the defendant in two local newspapers designated by the court that has rendered the judgment;

2. if the losing party represents a newspaper, a magazine or a radio or television station, the judgment must be published in this newspaper, magazine or radio or television station in addition to the two newspapers mentioned above.

Appendix D

List of Interviewees

Interviewee Name	Profession
Mr. Emile Chahine	Critic, Academic (lecturer)
Mr. Boutros Tarraf	Kodak Cinelab manager Lebanon, Dubai
Mr. Philippe Aractingi	Director and producer
Mr. Rodney Haddad	Actor, script writer
Mr. Georges Khabbaz	Actor, writer
Mr. Jean Helo	Assistant Director of Cinema City
Michel kammoun	Director
Nasri Brax	Lawyer
Elie Attieh	Lawyer (specialist in IPR)
Louis Saghbini	Producer (Frame by Frame Productions)
Samir Habchi	Director
Hadi Hajjar	Marketing Manager (Rotana)
Dr. Michel Haddad	University professor
Mr. Rifaat Atat	Lebanese Citizen

Appendix E

Awards and Nominations for Lebanese Movies at International Festivals¹⁰⁹

West Beyrouth (À l'abri les enfants) (1998)

<u>Cannes Film Festival</u>			
Year	Result	Award	Category/Recipient(s)
<u>1998</u>	Won	François Chalais Award	<u>Ziad Doueiri</u>
<u>Carthage Film Festival</u>			
Year	Result	Award	Category/Recipient(s)
<u>1998</u>	Won	Best First Film	<u>Ziad Doueiri</u>
<u>Fribourg International Film Festival</u>			
Year	Result	Award	Category/Recipient(s)
<u>1999</u>	Won	SAA Script Award	<u>Ziad Doueiri</u>
<u>Paris Biennial of Arab Cinema</u>			
Year	Result	Award	Category/Recipient(s)
<u>1998</u>	Won	IMA Grand Prize	<u>Ziad Doueiri</u>

¹⁰⁹ International movie data base: www.imdb.com

<u>Political Film Society, USA</u>			
Year	Result	Award	Category/Recipient(s)
<u>2000</u>	Nominated	PFS Award	Peace
<u>Toronto International Film Festival</u>			
Year	Result	Award	Category/Recipient(s)
<u>1998</u>	Won	International Critics' Award (FIPRESCI)	<u>Ziad Doueiri</u> For its youthful, energetic and unconventional approach to human values in the midst of civil war and its tragedies. Tied with <u>Praise</u> (1998).
<u>Valladolid International Film Festival</u>			
Year	Result	Award	Category/Recipient(s)
<u>1998</u>	Won	Youth Jury Award	Competition <u>Ziad Doueiri</u>
	Nominated	Golden Spike	<u>Ziad Doueiri</u>

Falafel (2006)

<u>Alexandria International Film Festival</u>			
Year	Result	Award	Category/Recipient(s)

<u>2007</u>	Won	Best First or Second Feature	Feature Film <u>Michel Kammoun</u>
<u>Dubai International Film Festival</u>			
Year	Result	Award	Category/Recipient(s)
<u>2006</u>	Won	Muhr Award	Best Film <u>Michel Kammoun</u>
<u>Muscat Film Festival</u>			
Year	Result	Award	Category/Recipient(s)
<u>2008</u>	Won	Bronze Dagger	<u>Michel Kammoun</u>
<u>Namur International Festival of French-Speaking Film</u>			
Year	Result	Award	Category/Recipient(s)
<u>2006</u>	Won	Golden Bayard	Best Film <u>Michel Kammoun</u>
			Best Music <u>Michel Kammoun</u>
<u>Valencia Festival of Mediterranean Cinema</u>			
Year	Result	Award	Category/Recipient(s)
<u>2007</u>	Won	Bronze Palm	<u>Michel Kammoun</u>

Lamma Hikyat Maryam (2001)

<u>Carthage Film Festival</u>			
Year	Result	Award	Category/Recipient(s)
<u>2002</u>	Won	Best Actress	<u>Bernadette Hodeib</u>
		Best First Film	<u>Assad Fouladkar</u>
<u>Muscat Film Festival</u>			
Year	Result	Award	Category/Recipient(s)
<u>2003</u>	Won	Best Actress	<u>Bernadette Hodeib</u>
		Critics' Award	<u>Assad Fouladkar</u>
		Golden Dagger	<u>Assad Fouladkar</u>
<u>Paris Biennial of Arab Cinema</u>			
Year	Result	Award	Category/Recipient(s)
<u>2002</u>	Won	Best Actress	<u>Bernadette Hodeib</u>
<u>Saguaro Film Festival</u>			
Year	Result	Award	Category/Recipient(s)
<u>2001</u>	Won	Best of Fest	<u>Assad Fouladkar</u>

Le Cerf-volant (2003)

<u>Festróia - Tróia International Film Festival</u>			
Year	Result	Award	Category/Recipient(s)
<u>2004</u>	Nominated	Golden Dolphin	<u>Randa Chahal Sabag</u>
<u>Mons International Festival of Love Films</u>			
Year	Result	Award	Category/Recipient(s)
<u>2004</u>	Won	TV5 Award	<u>Randa Chahal Sabag</u>
<u>Valladolid International Film Festival</u>			
Year	Result	Award	Category/Recipient(s)
<u>2003</u>	Nominated	Golden Spike	<u>Randa Chahal Sabag</u>
<u>Venice Film Festival</u>			
Year	Result	Award	Category/Recipient(s)
		'CinemAvvenire' Award	Cinema for Peace Award <u>Randa Chahal Sabag</u>
<u>2003</u>	Won	Grand Special Jury Prize	<u>Randa Chahal Sabag</u>
		Laterna Magica Prize	<u>Randa Chahal Sabag</u>

	Nominated	Golden Lion	<u>Randa Chahal Sabagh</u>
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Under the Bombs (2007)

<u>Dubai International Film Festival</u>			
Year	Result	Award	Category/Recipient(s)
<u>2007</u>	Won	Muhr Award	Best Actress <u>Nada Abou Farhat</u>
			Best Film <u>Philippe Aractingi</u>
<u>Sundance Film Festival</u>			
Year	Result	Award	Category/Recipient(s)
<u>2008</u>	Nominated	Grand Jury Prize	World Cinema - Dramatic <u>Philippe Aractingi</u>
<u>Venice Film Festival</u>			
Year	Result	Award	Category/Recipient(s)
<u>2007</u>	Won	Alternative Vision Award	<u>Philippe Aractingi</u>
		EIUC Award	<u>Philippe Aractingi</u>

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