**Appendix 1**

People's Republic of China: Estimated Trade Losses Due to Piracy (in millions of US dollars) and Piracy Rates, 1995-2005.[[1]](#footnote-1)

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | ***1995*** | ***1996*** | ***1997*** | ***1998*** | ***1999*** | ***2000*** | ***2001*** | ***2002*** | ***2003*** | ***2004*** | ***2005*** |
| **Loss** | **124.0** | **120.0** | **120.0** | **120.0** | **120.0** | **120.0** | **160.0** | **168.0** | **178.0** | **280.0** | **244.0** |
| **Rate** | **100%** | **85%** | **75%** | **90%** | **90%** | **90%** | **88%** | **91%** | **95%** | **95%** | **93%** |
| Totals \* | 2,323.0 | 2,309.3 | 2,792.3 | 2,553.5 | 2,137.7 | 1,085.2 | 1,506.6 | 1,893.3 | 2,859.2 | 2,530.9 | 2,643.9 |
| Proportion \* | 5.3% | 5.2% | 4.3% | 4.7% | 5.6% | 11.1% | 10.6% | 8.9% | 6.2% | 11.1% | 9.2% |

*Sources*: Compiled from annual statistics by IIPA ‘Special 301’ Reports, People’s Republic of China (<http://www.iipa.com/countryreports.html#C>)

\* *Totals* are the total estimated losses due to piracy, including sections of motion pictures, sound recordings, business software applications, entertainment software, and books. I calculated the proportion of the motion picture sector in the total loss.

1. We must bear in mind that the accuracy and validity of the estimates, however, are questionable, and especially may be exaggerated. See for detail: National Research Council (2000). *The digital dilemma: Intellectual property in the information age.* Washington, D.C.: National Academy Press; Priest, E. (2006). In addition, the reported loss results only from piracy of physical copies; they do not include losses from the thousands of websites and numerous peer-to-peer file-sharing networks that make films free to Internet users in China. Thus, numbers of the recent years may be underestimated. In 2004, the Motion Picture Association (MPA) commissioned to develop a methodology that analyzes both physical and Internet piracy, which refers to all piracy on the Internet or through mobile communications platforms and similar technologies. 2005 was the last year that the Motion Picture Association of America (MPAA) released statistics on the motion pictures section. [↑](#footnote-ref-1)