Press release: Young consumers give boost to legal downloading and streaming

- infringement levels down 7% points from 2015 for 16 to 24 year olds
- decrease of 5% points in the use of illegal services since 2013

While overall levels of piracy remain the same compared to 2017, there has been a drop in illegal activity by some groups. This is especially true amongst young consumers, with over half of 16 to 24 year olds now paying to access at least one subscription service.

The latest figures, from the <u>Online Copyright Infringement (OCI) tracker</u>, are published on British IP Day. The annual tracker measures the level of online copyright infringement in the UK. The UK has led the way in measuring online copyright infringement in this way with Australia, and more recently Canada, using the same method.

Sam Gyimah, Minister for IP, launched the report at the Alliance for IP British IP Day event. He said:

The variety of legitimate services now available to consumers is extraordinary and our world-leading creative industries have made great strides in meeting the demands of viewers and fans, so there really is no excuse for the ongoing use of illegal services.

Today's findings are a positive step forward in stamping out online copyright infringement, but we cannot afford to be complacent. We are committed to tackling piracy and helping this vibrant sector go from strength to strength through our Creative Industries Sector Deal, a major part of our modern Industrial Strategy.

Key findings from the OCI tracker include:

- the UK has a lower overall infringement rate (25% of online content consumers) than both Canada (26%) and Australia (38%)
- levels of infringement varied by content type. TV programmes recorded the highest levels of infringement (23% amongst consumers of TV), with music (18%) and films (19%). Whereas infringement of software has decreased from 26% in 2017 to 20% this year. Infringement of sports content was 21%
- an increase in the share of consumers citing convenience, quality and fears of viruses/malware/spyware as reasons for choosing paid for services over free services
- 65% of those who consumed any of the six key content types during the past three months paid for at least some of it (an increase from 60% in 2017), this is partly due to increased spend on subscription services

• amongst infringers there was a decline in the use of BitTorrent software (from 11% of infringers in 2017 to 7% this year), while the use of Kodi remained relatively unchanged (used by 12% of infringers)

Eddy Leviten, Director General of the Alliance for Intellectual Property, added:

British IP Day is a celebration of the creativity that brings great products, brands, design and content to consumers worldwide. Today we are taking that message to Parliament and ensuring that MPs across the political spectrum understand the need to protect IP and support creators of all kinds.

The OCI Tracker is a valuable measure of progress in the UK in the use of legitimate content services but piracy levels remain at one quarter of the population, which is still far too high.

The Alliance and its members are active participants in the Sector Deal roundtables which can help to drive down piracy and counterfeiting and allow genuine content and goods to flourish. We look forward to working collaboratively to achieve concrete results."

Temporary Detective Chief Inspector Nick Court of the City of London Police's Intellectual Property Crime Department (PIPCU) said:

It is encouraging to hear that consumers are favouring subscription streaming services and that illegal streaming is becoming less attractive, especially to the young.

Digital piracy is a problem that has a number of risks associated with it, including enabling children to watch inappropriate content, and we continue to encourage people to use legitimate services in order to avoid falling victim to such risks.

We are hopeful that the younger consumers who are using these legitimate services will lead the way in encouraging all users to do the same.

The government is taking action to tackle online copyright infringement through a range of activities:

- joint funding with DCMS for the Creative Content UK campaign, Get it Right from a Genuine Site
- IPO funding of over £7.5 million for the Police Intellectual Property Crime Unit

- continuing to work with search engines and copyright owners to ensure that copyright infringing websites are removed from the front page of search results.
- worked with Industry to fund a campaign fronted by Crime Stoppers to raise awareness of the risks involved in using illicit streaming devices
- made commitments through the Industrial Strategy Creative Industry Sector Deal
- launched a new series of Nancy & the Meerkats to encourage children to think about ownership of IP, whether music, video or information on the web
- in a unique partnership with UK Music, launched Music Inc in 2013, an app to give gamers an insight into the modern music industry as well as education them on aspects of copyright
- in 2015 launched crackingideas.com a portal for free IP and copyright education resources from the IPO and industry including the Industry Trust, UK Music and ALCS

Note to editors

- 1. The <u>UK survey</u> was funded by the UK Intellectual Property Office (IPO) and was undertaken by Kantar Media.

 The survey was conducted between March and May 2018.
- 2. It's the eighth wave of a large-scale consumer tracking study into the extent of online copyright infringement, as well as wide digital behaviours and attitudes, among people ages 12+ in the UK.