Illegal downloading costs Dutch film industry a minimum of €78,4 mln in turnover each year

According to the study "Omdat het gratis is" ("Because it's free") by IT law and policy firm Considerati, the Dutch filmindustry loses a minimum of 78,4 mln in turnovers each year due to illegal downloading. The study is the first to give insight in the damages caused by illegal downloading for the Dutch film industry specifically.

The calculation of the damages is based on consumer research, studying the consumer's behaviour with regards to illegal downloading and carried out by CenterData and the Insistute for information law (Ivir – Instituut voor Informatierecht) of the University of Amsterdam, combined with figures on illegal downloads through p2p-networks aggragated by MarkMonitor on behalf of this research.

Important findings in the study are:

- For each 10 illegal downloads, consumers buy 3.2 movies less through legal sources;
- Each year, 61 miljoen movies are downloaded illegaly in the Netherlands;
- The percentage of Dutch people between the ages 16-24 that downloads movies from illegal sources increased from 18% in 2008 to 56% in 2014;
- The most important reason by far for downloading or streaming movies from illegal sources is because it's free.

Antoinette Beumer, director of the populair Dutch movie SOOF: "My movie has been downloaded 85.952 times in eight weeks. I make my movies with love and enjoy the fact that people like to see my work. However, I do need to be able to continue to make movies."

Downloading from illegal sources was deemed legal in the Netherlands for the last 12 years, since the Dutch government thought that this could be considered as a private copy, which is exempted from copyright protection. However, the European Court of Justice decided that the situation in the Netherlands was unlawful, making downloading from illegal sources in the Netherlands illegal.

Marjan van der Haar (Director of the Dutch Filmproducer Association): "€78,4mln in damages is one-third of the annual turnover for DVD and VoD (which is €256,6 mln) of the Dutch film industry. It is now important to reduce the damage and to make legal downloading the new standard in the Netherlands."

The report can be downloaded here (Dutch only).

The research is commissioned by the Dutch Film Producers Association (FPN), the CFAP, NVF, NVPI Video and the Dutch Film Foundation.

Source: Considerati