

CHINA DEFENDS OLYMPICS CONTENT

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Facts

The Olympics have become a very, very big business. Worldwide media rights to the 2008 Summer Olympics in Beijing sold for \$1.7 billion, with NBC Universal paying \$894 million for the U.S. media rights alone.

China Central Television (CCTV) said that "Web sites may be "shut down" if they carry the events illegally."

In addition, a Chinese Government spokesperson said "Any individual without authorization who uploads recorded Olympic events or pirated Olympics video broadcasting websites will face up to 100,000 RMB in penalties."

The statement in its entirety can be found at:

http://www.gov.cn/gzdt/2008-07/05/content_1036742.htm

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Multiple sources have confirmed that China has openly threatened anyone who reuses or rebroadcasts the Beijing Olympics. Chinese officials publicly stated they will "punish" Internet Web sites, Re-broadcasters and other "new media" that replay the 2008 Olympic Games and related events without the authorization of state-run China Central Television. Xu Chao, deputy director of the Copyright Management Division in the State Copyright Bureau said "during the Olympic Games, many unauthorized broadcasts will flood into the market. We should initiate an "attack" against broadcast piracy." Xu went on to discuss some of their anti-piracy measures including a public hotline for reporting illegal broadcasting through the State Copyright Bureau website or by dialing the "12390" anti-piracy hotline to collaborate with the government. People involved will be rewarded for the reports once the report is found to be true.

The International Olympic Committee granted CCTV the new media broadcast rights for the summer games exclusively. We were unable to obtain their exact definition of "new media broadcast." However, in a statement by the State Administration of Radio, Film and Television, the National Copyright Administration and the Ministry of Industry and Information Technology, they said Web sites and mobile platforms using Olympic broadcast signals without getting permission from the CCTV will be punished. They went on to say that "Web sites may be shut down if they carry the events illegally."

Olympics coverage is big business. The 2008 Summer Games in Beijing will mark the arrival of streaming content as a viable alternative to the Olympics' television broadcast. Online video streaming is attracting an increasing share of ad spending and many believe is the future of advertising. NBCOlympics.com will offer 4,400 hours of on-demand streaming content plus 2,200 hours of live programming, making the Beijing Olympics the largest streaming media project to date. There is little doubt that carbon copies of the streamed media will be available from numerous sources on the web and in the physical world. So it appears China has a big challenge ahead.

Are they really threatening cyber attacks on public companies, private industry and individuals? That is the way one Cyber Security Expert we spoke to interpreted it. Only time will tell. What if a company in the United States, or any other country, is attacked? How will the government respond? One thing for sure, this is a sign of things to come!

