



Conquering Film Piracy Would Be Biggest Blockbuster of All

By **EMILY BRYSON YORK**
Staff Reporter

IN Hollywood, film piracy is like the weather. Everybody talks about it – even host Jon Stewart made a crack about it in his Academy Awards monologue – but nobody seems to do anything about it.

The intellectual property attorneys at Greenberg Traurig LLP are giving it their best shot, however. The Los Angeles office has recruited attorneys with expertise in film, music, technology, transactions and litigation for its intellectual property battles. A major front will be the movie business, which is facing challenges as computers replace film as the preferred mode of distribution.

“Once a work is digital, it can be copied,” said Ian C. Ballon. “And that represents a business problem.”

A recent IP department meeting at the firm offered an indicator of Ballon’s status: Lawyers 30 years his senior listened raptly as he detailed industry developments. It’s the nexus of computer advances and content that provides the bulk of the firm’s IP cases.

“Technology companies want to sell their technology for the reason that they facilitate the rapid movement and distribution of content,” said Terence J. Clark. “That’s the very reason that content companies want to protect their rights. The continued blurring of the enforceability of rights from copyrights to trademarks ... those are the issues which technology tries to unfold,” Clark said. “And it keeps lawyers in business.”

The music industry’s battles over downloading have provided a cautionary tale for the movie industry.

Jay Cooper, a music specialist in the IP department, points out that the recording industry – despite scoring some big wins against illegal downloading in court – has dropped from seeing \$40 billion in retail sales to \$26 billion and said that the film industry should take notice and act quickly.

“They didn’t have a good year, but it could have been much worse,” Cooper said. He represents the estates of Elvis Presley and Frank Sinatra, helped Bob Geldof organize the Live 8 concerts and recently handled the sale of the rights to Fox’s “American Idol” TV show to New York-based CKX Inc.

As the distribution platforms for illegal film copies are expanding, the market for pirated films is, too. From a New York street corner to a dorm room in Beijing, willing buyers can find pirated versions of blockbusters



RINGO H.W. CHUI/LABJ

Screen Gems: Greenberg Traurig’s team earned its rep as Hollywood heavyweights.

days after – and sometimes even before – a film’s theatrical release.

“It’s getting harder to pin down,” Cooper said. “Are you going to go out and find them in back rooms all over the world?”

The firm’s entertainment media specialist, Vincent Chieffo, said that the film business has a long history of enduring significant losses before its attorneys can turn the tide.

“The home video business in this country got started primarily because the studios weren’t licensing their films (for rentals),” he recalled. “And there was sufficient demand that people were taking risks.”

Seasoned movie industry lawyer Alan Schwartz said that studios should, in the meantime, lower their DVD prices and get what business they can.

Schwartz, who came to the firm from Manatt Phelps & Phillips LLP, provides old-style perspective to the firm. He pioneered “split rights” for films in the 1970s, in which one studio may own domestic rights and another may own foreign rights, a common framework for film financing today. Schwartz represents Mel Brooks, and worked with him to bring “The Producers” to Broadway and the big screen last year.

The firm’s recognition early on that IP issues were going to become important to the entertainment industry has paid off in a big way. After starting with six attorneys

GREENBERG TRAUIG LLP

L.A. Lawyers: 100

L.A. IP Lawyers: 23

High Flyers: Alan U. Schwartz, shareholder, entertainment practice; Terence J. Clark, shareholder, intellectual property, co-chair of national media and entertainment litigation and intellectual property practices; Vincent H. Chieffo, co-chair, national media and entertainment litigation; Jay L. Cooper, chair, L.A. entertainment practice; Ian C. Ballon, intellectual property, entertainment and technology litigation

in 2000, Greenberg Traurig now has more than 100 lawyers in L.A. and has opened three more offices in California. Clients now include Fox Broadcasting Co., Universal Corp., EMI Group plc, Hewlett-Packard Co. and Intermix Media Inc.’s Myspace.com, now the second most popular Web site on the Internet.

“(Entertainment) was a major industry out here and we wanted to serve it,” said Chieffo. “We’re also in real estate, we’re in corporate, there are needs for litigation here. We’re serving California for what it is.”