

# **Copyright (Parallel Importing of Films) Amendment Bill**

Government Bill

## **Explanatory note**

### **General policy statement**

The Copyright Act 1994 bans the commercial parallel importation of films for 9 months from the date the film was first released. The ban is due to expire on 31 October 2013.

This Bill gives effect to the Government's decision to extend the ban in modified form. The ban will be extended for 3 years. The modified ban will prohibit the parallel importation of films for 5 months from the film's release date.

A ban of 9 months is no longer necessary because the gap between New Zealand film release dates and international release dates has reduced since the ban was originally imposed. Five months will protect the cinematic screening of films from competition with parallel imports and provide sufficient time for film distributors to determine appropriate release dates for films.

The ban will be extended for 3 years because this will give the film industry time to finish converting to digital exhibition technology and ensure that the film distribution model reflects developments in the market for films, particularly online.

### Regulatory impact statement

The Ministry of Business, Innovation, and Employment produced a regulatory impact statement on 13 June 2013 to help inform the main policy decisions taken by the Government relating to the contents of this Bill.

A copy of this regulatory impact statement can be found at—

- <http://www.mbie.govt.nz/about-us/publications/ris/review-of-ban-on-parallel-importing-of-films>
- <http://www.treasury.govt.nz/publications/informationreleases/ris>

### Clause by clause analysis

*Clause 1* is the Title clause.

*Clause 2* provides that the Bill comes into force on 31 October 2013.

*Clause 3* provides that the Copyright Act 1994 is the principal Act.

*Clause 4* has 2 effects relating to the ban on the parallel importation of films other than for private and domestic use. That ban was introduced in 2003 and is due to expire on 31 October 2013.

First, *subclause (1)* modifies the period within which it is an infringement of the copyright in a work if a person who does not hold the New Zealand copyright imports a film into New Zealand. Currently, the period is 9 months from the film's first cinematic release date, as provided in section 35(3) of the principal Act. The new period is 5 months.

Secondly, *subclause (2)* extends, for a further 3 years until 31 October 2016, the ban in section 35(3) and (4) of the principal Act on the parallel importation of films other than for private and domestic use.

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*Hon Craig Foss*

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### **The Parliament of New Zealand enacts as follows:**

- 1 Title**  
This Act is the Copyright (Parallel Importing of Films) Amendment Act **2013**.
- 2 Commencement** 5  
This Act comes into force on 31 October 2013.
- 3 Principal Act**  
This Act amends the Copyright Act 1994 (the **principal Act**).
- 4 Section 35 amended (Infringement by importation)**  
(1) Replace section 35(3)(a) and (b) with: 10

- “(a) imports a copy of the film into New Zealand within 5 months of the date that the film is first made available to the public; and
- “(b) knows or has reason to believe that the film is imported into New Zealand within 5 months of that date; and” 5
- (2) In section 35(5), replace “31 October 2013” with “31 October 2016”.
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