

HOUSE OF REPRESENTATIVES
COMMONWEALTH OF PENNSYLVANIA

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House Bill 2295

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Judiciary Committee

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Main Capitol Building
Room 140, Majority Caucus Room
Harrisburg, Pennsylvania

Wednesday, February 14, 1996 - 10:00 a.m.

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BEFORE:

Honorable Thomas Gannon, Majority Chairman
Honorable Jerry Birmelin
Honorable Scot J. Chadwick
Honorable Stephen Maitland
Honorable Al Masland
Honorable Robert Reber
Honorable Chris Wogan

Honorable Peter Daley
Honorable Frank Dermody
Honorable Harold James
Honorable Kathy Manderino
Honorable David Mayernik

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ALSO PRESENT:

Karen Dalton, Esquire
Counsel for Judiciary Committee

Dan Fellin, Esquire
Counsel for Judiciary Committee

Judy Sedesse,
Committee Administrative Assistant

C O N T E N T S

WITNESSES	PAGE
Opening remarks by Chairman Gannon	4
Vans Stevenson Vice President of State Legislation Motion Picture Association of America	4
Karin Krueger Counsel for State Legislation Motion Picture Association of America	9
Phillip Parker Field Investigator Motion Picture Association of America	14

1 CHAIRMAN GANNON: We are ready to go.
2 There are some other members that will be coming
3 in, but I don't want to hold everybody up.
4 There are several other meetings going on. So I
5 would like to call our first witness, Mr. Vans
6 Stevenson, and then why don't we have all three
7 witnesses at the table at the same time. Karin
8 Krueger, Counsel for the State Legislation
9 Motion Picture Association of America; Phillip
10 Parker, Field Investigator, the Motion Picture
11 Association of America; and Vans Stevenson, the
12 Vice President of State Legislation, Motion
13 Picture Association of America.

14 Good morning and thank you for coming
15 here today to give us some insight into this
16 issue of the pirating of motion pictures and
17 videos.

18 Mr. Stevenson.

19 MR. STEVENSON: Thank you, Mr.
20 Chairman, Members of the Committee. It is a
21 real pleasure to be here and we appreciate the
22 opportunity to be able to testify in support of
23 this bill. On behalf of Jack Valenti and the
24 Motion Picture Association and our member
25 companies: Disney, MGM, Paramount Pictures, Sony

1 Pictures, Twentieth Century Fox, Turner
2 Pictures, Universal and Warner Brothers. We
3 appreciate the support that the Commonwealth of
4 Pennsylvania has given the motion picture
5 industry over the past years by putting a strong
6 piracy bill in place which we have right now,
7 and we appreciate this opportunity to come here
8 again because we need new weapons in our arsenal
9 in an attempt to fight anti-piracy.

10 I think, as all of you are aware, this
11 legislation will strengthen existing law which
12 is combined to combat illegal counterfeiting of
13 motion pictures on videocassette. It also
14 provides protection for motion picture theatres
15 to detain individuals who attempt to record
16 motion pictures on camcorders off of movie
17 screens.

18 We would like to cover why this
19 legislation is necessary in three parts, if it
20 is okay?

21 I am going to handle the economic
22 issues, Karin Krueger will handle the legal, and
23 Phil Parker will talk about the law enforcement
24 aspects.

25 First, economic. Video piracy is the

1 deliberate duplication for sale and rental of
2 motion pictures on videocassettes for sale and
3 rental in stores, on street corners and in flea
4 markets is a billion dollar a year business in
5 the United States and a \$4 billion a year
6 business worldwide.

7 That is how much money our member
8 companies in the motion picture industry lose
9 each year, we estimate.

10 Those kinds of dollars translate into
11 millions in losses to everyone from legitimate
12 video stores in the Commonwealth and our member
13 companies and the rest of the motion picture
14 industry.

15 Most motion pictures today are financed
16 because of the guaranteed revenue home video
17 sales to retailers and the public usually
18 generate on a title by title basis. And with
19 the average cost to produce, distribute and
20 market a motion picture is about \$50 million.
21 Home video revenues are significant and vital to
22 be able to produce those kinds of movies.

23 Since the motion picture business is
24 speculative from the standpoint that no one
25 really knows if anyone is going to come once you

1 make it, it's imperative that we do everything
2 possible to protect our only asset from being
3 stolen. If piracy continues to accelerate, it
4 will affect the dollars available to reinvest in
5 new productions and produce those kinds of
6 movies that the public has grown to anticipate
7 and demand both here in the Commonwealth and
8 around the country.

9 In addition, rampant and uncontrolled
10 piracy could affect the price of videocassettes
11 for sale and rental. Less legitimate demand
12 means prices could rise. That also means an
13 erosion of sales tax receipts from the millions
14 of retail transactions in the Commonwealth on an
15 annual basis.

16 This relatively new development of
17 street sales of camcorder copies of recently
18 released movies in urban areas and at flea
19 markets, strikes at movie theatres directly
20 because people are buying a movie that is still
21 in the theatre long before it gets to home
22 video. We are usually talking a three to six
23 month window between the time the movie is in
24 your movie theatre and the time that you see it
25 on the shelf of a BlockBuster or and independent

1 retailer.

2 Most of the tapes that we are talking
3 about that have been camcordered off of movie
4 screens are inferior in, of course, quality.
5 And you will see some examples of that in a few
6 minutes. But the technology is improving and
7 that means the movie patrons that may buy these
8 tapes may be discouraged from going to the
9 theatre and/or buying and renting the cassette
10 when it comes out legitimately in the store
11 three to six months later.

12 The negative economic consequences
13 extend also in the foreign markets. Piracy, I
14 think all of you may have read, is pretty
15 rampant overseas. We are trying to bring it
16 under control, but it is a very, very difficult
17 prospect. Illegal street corner sales of
18 camcorder copies in major cities like
19 Philadelphia, Pittsburgh, New York, Chicago,
20 have been used as an example in sensitive
21 negotiations along the Pacific rim.

22 A number of foreign governments have
23 inquired about the urgency of promoting new copy
24 right laws in their own countries to protect
25 American product when we cannot control the

1 problem here.

2 In the District of Columbia last year,
3 they recently enacted identical provisions to
4 those proposed in House Bill 2295, and that has
5 helped to clean up the illegal street sales in
6 our nation's capitol. Enacting similar
7 provisions in Pennsylvania, which has been
8 identified as a major production and
9 distribution center for counterfeit videos, will
10 further enhance our chances to ensure further
11 copy right protection in foreign markets. In
12 other words, we can point to this as another
13 example that we are not going to stand by and
14 let this happen here or any place else.

15 At this point, I would like to turn the
16 part our presentation over to Karin Kruegler,
17 MPA State Legal Counsel, to explain why we need
18 harsher penalties and protection for theatre
19 employees to detain movie thieves.

20 Karin.

21 MS. KRUEGER: Thank you. Can you hear
22 me?

23 Well, the first thing I would like to
24 emphasize is this is really a consumer
25 protection bill. It is a consumer protection

1 measure that works well to protect consumers as
2 well as allowing law enforcement to participate
3 in a socially as well as economically beneficial
4 endeavor.

5 Let me explain. The underlying law
6 that the Commonwealth already has requires that
7 any video product that is sold must have the
8 true name and address of the distributor on the
9 box of the jacket of the video. This is so that
10 consumers know who they can turn to, if they pop
11 in the movie and there is something wrong with
12 the quality, there is something harmful that was
13 not supposed to be in there and they have
14 somewhere to go to. The failure to label the
15 jacket of the video to put the true name and
16 address is a violation of the law that is
17 already in existense.

18 Now, quite obviously, counterfeits,
19 pirates, counterfeiters, are not going to put
20 their true name and address on the jackets of
21 these products. They are not quite that bold.
22 But they are bold enough to start counterfeiting
23 and pirating just thousands and thousands of
24 videos at a time now. Hundreds of VCRs going,
25 and the number of product that is being

1 counterfeited, is increasing rapidly.

2 Additionally, since the quality is
3 getting much better, the value of their product
4 is increasing and they are pumping up their
5 prices because it looks like it is the real
6 thing. And when these pirates defraud
7 consumers, people, you know, that buy these
8 videos, they have no redress, there is no one
9 they can turn to.

10 Now, I don't know what your experience,
11 if any, has been, but we have gotten calls from
12 state legislators in other states. They have
13 been getting calls from people saying we bought
14 these videos and we cannot get our money back
15 and we want to know why. We want to get our
16 money back. And, unfortunately, we are at a
17 loss, we can't really help them in getting their
18 money back. We do have a counterfeit line that
19 we turn to for complaints to help catch the
20 people doing it, but there is just no redress.

21 So why do we need the enhanced
22 legislation in this bill?

23 Well, first of all, this bill provides
24 higher penalties for the baseline number of
25 counterfeit products. And we really believe

1 that this increase in penalty is going to help.
2 Because, unfortunately, right now, people think
3 of counterfeiting as more of a quasi-criminal
4 activity. You know, it is not that bad. And
5 this is only re-enforced by the lower penalties
6 and minor fines. It has become almost a cost of
7 doing business. You know, pay the fine, do the
8 minimal jail time, if any, in a county jail.

9 When the penalty becomes a felony, as
10 this bill makes it, the ramifications become,
11 ratchet it up greatly and people begin to think
12 twice about doing the cost of business. And,
13 additionally, it gives judges the power to
14 sentence harsher and look at the aggravating
15 circumstances when there are thousands of tapes
16 and hundreds of VCRs going. And they can also
17 maybe use the state prison system instead of the
18 county jail system which also makes people again
19 think twice. So that is one thing about this
20 bill.

21 Another provision of this legislation,
22 which we believe will add meaningful reform in
23 this new era of high technology is, as Vans
24 mentioned, people have been camcording movies
25 right off the screens and, unfortunately,

1 theatre owners are stymied by the law or the
2 lack of the law in the Commonwealth to be able
3 to stop these people from actually filming the
4 movie off the screen.

5 Right now, someone goes to opening day
6 at a theatre and that film is out on the street
7 within hours. I mean, literally. That premier
8 is the night before and you see that film on the
9 street the next day, that is how good they are
10 getting. A theatre owner, for fear of
11 liability, civil or criminal, false
12 imprisonment, all sorts of liabilities that we
13 now have, will not or cannot take the person and
14 say stop that and let me call the police and
15 deal with this.

16 So this legislation prohibits the
17 actual act of camcording off the screen.
18 Something that I think we probably all think is,
19 if not illegal, immoral. You know, it is
20 stealing. It is like if I walk into a
21 department store and just took a product and
22 left with it. It is theft.

23 Which brings up a final provision of
24 this legislation, which is, it allows the
25 theatre owner to actually detain the person in a

1 reasonable manner if caught camcording. Just
2 like if the person were to reach over and grab a
3 box of raisonettes from the candy counter, that
4 person would be able to stop that person, take
5 them and call the police. Well, if they catch
6 them camcording, they cannot do that. So this
7 provision will bring the camcording into the
8 realm of theft, and allow them, without fear of
9 criminal or civil liability, to any reasonable
10 manner. And it spells out all of the, you know,
11 you have to be reasonable and you have to have
12 probable cause and it has to be for a reasonable
13 time, can detain the person.

14 And we believe this is good common
15 sense and it's good for the Commonwealth.
16 Because we believe, as Vans mentioned,
17 counterfeiters are not only stealing from us,
18 they are stealing from consumers and they are
19 stealing from the Commonwealth in tax dollars.
20 And we think this will really help clean up the
21 streets. And now I would like to turn it over
22 to Phil who will actually tell you how they
23 clean up the streets.

24 MR. PARKER: Thanks, Karin. My name is
25 Phil Parker and I have been with the Motion

1 Picture Association since 1988 and, since 1991,
2 I have been the regional field rep. which covers
3 the area from Pennsylvania to Virginia and out
4 to Tennessee.

5 The video pirates have been active for
6 many years. Most of the time they have, the
7 major part of the time, they have been copying
8 videos that come out in a video rental store.
9 If a store such as BlockBusters gets a video on
10 a Thursday, they would rent that video and begin
11 copying it and by Friday the pirated copies
12 would be out on the street.

13 During the past two years, we have
14 noticed an interesting phenomenon and that is
15 people are going into movie theatres holding a
16 camcorder or putting it on a tripod and actually
17 recording from the screen. As you can imagine,
18 the quality is atrocious, both the visual and
19 audio. However, there have been very many
20 improvements in home recorders, home camera
21 recorders and they are getting better. That is,
22 in effect, what has been happening over the past
23 two years.

24 Prior to this time, these people were
25 renting or selling these videos. Ones that are

1 copied from rental stores, they would go out and
2 sell these to the small video stores throughout
3 the United States.

4 A normal videocassette would cost 60 to
5 80 dollars and they would be able to sell these
6 things to a small video rental establishment for
7 30 dollars. So the person could see a savings,
8 even though they, for the most part, knew that
9 they were illegal.

10 The newest generation, those that are
11 being copied from the movie screen, are not
12 being sold to rental stores, they are being sold
13 to vendors who are going to take them out on the
14 street and sell them on the street corner or
15 taken to flea markets and swop meets where
16 they'll be sold from various stands there.

17 Philadelphia is a major production
18 center of pirated videos. Over the past two
19 years, we have probably, With the Pennsylvania
20 State Police and the Philadelphia District
21 Attorney's Office, raided probably 12, what we
22 call, laboratories that actually produced the
23 video themselves. And from them, we have
24 probably taken 1500 videocassette recorders,
25 which were being used to record these illegal

1 videos.

2 In the course of these investigations,
3 we found that this, that there are several
4 groups, organizations, that are in fact doing
5 the pirating. There is a competition among the
6 groups. They are continuing criminal
7 enterprises. They are organized crime. They
8 are making money like you would not believe.

9 In one place, we found a hundred and
10 five video recorders and the State Police found
11 records indicating that the individual was
12 making over \$30,000 a month, clear profit. They
13 also confiscated over \$130,000 in cash and money
14 orders. This is a significant criminal
15 organization.

16 We have had people tell us that video
17 piracy is the new drug, but it is a lot better
18 because the money is almost as good as dealing
19 drugs but the penalties are very light. They
20 don't worry about going to jail for the first
21 four or five times they are arrested for video
22 piracy.

23 The people who are putting out these
24 pirated videos, both the ones that have already
25 been released in VHS format as well as those

1 which are just opening in the theatre, have an
2 organization that rivals almost any drug
3 organization. One location will have the
4 videocassette recorders, another location will
5 have the printing, the printing of the labels,
6 the printing of the sleeves. These then will
7 come together in a third location for assembly
8 and then possibly a fourth location for storage
9 and distribution. You have runners who are
10 picking up hundreds of videocassettes, taking
11 them as far south as Atlanta, Georgia, certainly
12 out to Pittsburgh where we have had significant
13 success with the Pennsylvania State Police and
14 the Pittsburgh Police in seizing thousands of
15 pirated videos in Pittsburgh.

16 Just before Christmas, in Philadelphia,
17 with the State Police and the District
18 Attorney's Office, we seized over 20,000
19 videocassettes from vendors on the street. Half
20 of these were theatrical releases. The other
21 half were those videos which had already been
22 released in VHS format. Two weeks ago, in
23 Philadelphia, we seized another 8,000. So the
24 law enforcement organizations are working very
25 closely with us, they are doing an outstanding

1 job and we certainly see the problem but it is
2 getting tougher all the time.

3 As Karin mentioned, as soon as a
4 theatrical, a new movie is released in the
5 theatre, the day after that, you can buy it on
6 the street, in Germantown, in Pittsburgh, in
7 North Versailles. They had the means and the
8 distribution to get these things out on the
9 street.

10 There is no quality control. We have
11 had complaints from parents who have called in
12 who had looked at a children's video. At the
13 end of it or at some point in the middle of it,
14 it dissolves into a -- something that they would
15 not want their children to see, be it
16 pornographic or an adult video. So these are
17 the things that, you know, we have to put up
18 with complaints from the public also.

19 I do have some examples of what a
20 camcordered video looks like and I will be happy
21 to show those to you, if you would like, as well
22 as some examples of the labels and packaging
23 that they have provided.

24 CHAIRMAN GANNON: Sure. Could you
25 identify these for our stenographer?

1 MR. PARKER: Oh, yes. The first one is
2 007. Was it Golden Eye?

3 MS. KRUEGER: Golden Eye.

4 MR. PARKER: If you will notice, you
5 will see the camera is looking at the theatre,
6 and he just arranged the telephoto aspect of the
7 film so it covers the whole screen.

8 MR. STEVENSON: But keep in mind, also,
9 this is three to six months away from home video
10 release.

11 CHAIRMAN GANNON: This hasn't been
12 released yet?

13 MR. STEVENSON: No, it is still in
14 theatrical distribution at this point.

15 MR. PARKER: Could you turn that up
16 just a little bit?

17 You will also be able to -- This should
18 be in stereo sound with good clarity. Instead,
19 it sounds like you are in a 50-gallon steel
20 drum.

21 Okay. Would you put in Die Hard?

22 REP. MAYERNIK: Do they sit in the
23 front row to do this or do they set the tripod
24 up in the middle of the ...?

25 MR. PARKER: Well, they sit in

1 different locations and you can tell where they
2 are. This one was probably sitting well back.
3 But some of them, if they are sitting in the
4 front row, you have elongation of the picture
5 itself because the person is looking up and it
6 gives a skewed aspect.

7 MS. KRUEGER: Sometimes you get heads
8 in the picture if they are further back.

9 MR. PARKER: You can see people
10 sometimes walk.

11 This is Die Hard With A Vengeance.

12 Could you rewind that all the way back?

13 REP. DERMODY: What are they copying
14 for the labels on this jacket?

15 MR. PARKER: If you will look at one of
16 these, in one case, they just went to the
17 theatre and copied the poster from the theatre.
18 You can actually see the reflection of the
19 person taking the picture.

20 REP. MANDERINO: There is your
21 evidence.

22 MR. PARKER: But it is not illegal.

23 REP. MAYERNIK: Have you had occasions
24 where they have actually spotted people with the
25 video equipment and attempted to take it away

1 from them?

2 MR. PARKER: Yes, we have.

3 REP. MAYERNIK: And they have been
4 unable to prosecute in Pennsylvania?

5 MR. PARKER: That's correct.

6 CHAIRMAN GANNON: Why don't we hold up
7 on the questions until after this? Because I
8 think everybody will have a couple of questions
9 after we get this done.

10 MR. STEVENSON: The quality on this one
11 is a little bit better.

12 MR. PARKER: But if you look at the
13 writing, as it will come up, you won't be able
14 to read it. It will be very blurred.

15 MS. KRUEGER: It is supposed to say Die
16 Hard.

17 MR. PARKER: They even read that
18 because the letters are larger. You can also
19 see at the top and the bottom of the screen how
20 it is, in fact, showing the top of the screen
21 and the theater itself.

22 Okay. I think that's fine. Thank you.

23 MR. STEVENSON: Mr. Chairman, we would
24 be happy to answer any questions anybody might
25 have.

1 CHAIRMAN GANNON: Representative Reber.

2 REP. REBER: Just one quick question.

3 Counselwoman, on page seven of the
4 bill, Section 418, Section (4), relative to
5 someone being admitted to the theatre in which a
6 motion picture is to be or is being exhibited
7 and refuses to surrender, and what have you, the
8 device. As I was looking at your testimony and
9 also looking at that section, I visualized
10 Philadelphia, of course, being a place where a
11 lot of tourists seem to be going and they have
12 obviously these for, they go down to
13 Independence Hall and they tape the Liberty Bell
14 and you know the scene of Benjamin Franklin and
15 the Rising Sun and all of that kind of stuff and
16 then they decide to come up Chestnut Street and
17 go into a theatre and they have their
18 camcorders.

19 My question is this: do you have any
20 objection, after including that section, it
21 would be something to the effect that at the
22 point of ticket sales and/or ticket pick-up, if
23 you will, or checking in, that there would be
24 some form of posting or are you worried about
25 the posting disappearing?

1 I guess what I am getting at is: I just
2 can see a lot of innocent people taking these
3 things in and sitting it down and all of a
4 sudden one of their eight year olds gets the
5 bright idea he wants to pick this thing up and
6 see if it works and you have some employee come
7 charging down the aisle and say, whoa, wait a
8 minute, that type of thing. How are we going to
9 handle those innocent situations?

10 MR. STEVENSON: I think from the
11 theatre's perspective where we develop this
12 particular language, they are really looking to
13 be able to protect themselves as would somebody
14 in a department store. They are really going to
15 be focusing on somebody who is an adult that
16 sits down and starts camcording. I don't
17 think at the point of sale that you are going to
18 have the problem of a theatre saying, no, you
19 can't bring that in here. There is going to be
20 discretion.

21 This same legislation is now working
22 and has been for about a year in New York,
23 California and the District of Columbia where
24 camcording, you know, has been going on and
25 those kinds of problems have not developed so

1 far that we have seen.

2 REP. REBER: Maybe I should pose the
3 question a different way. Do you have any
4 objection to exhibiting language that expressly
5 notes the particular statute, the penalties and
6 the crimes for, in fact, using a camcorder to
7 pirate or to otherwise record, however you might
8 want to phrase it? Do you have any objection to
9 that?

10 MR. STEVENSON: I don't think so.

11 MS. KRUEGER: Are you saying you are
12 going to require it?

13 REP. REBER: I don't know what I am
14 going to do. I don't know if I am going to do
15 anything. I am just curious about developing --

16 MS. KRUEGER: We certainly have no
17 problem with theatres, with people putting up
18 language which says that.

19 MR. STEVENSON: I think theatres might
20 object to a posting just because they don't want
21 to look like they are being Draconian when most
22 of their patrons are not going to be bringing
23 camcorders into theatres. And I think, at least
24 at this point, it is a point of discretion more
25 than anything else.

1 I think, in most cases, it is going to
2 be a theatre manager coming in to take somebody
3 out or calling the police if they identify
4 somebody in the theatre actually camcording
5 off the screen.

6 REP. REBER: I understand your intent.
7 You know, that is perfectly logical. But having
8 done criminal defense work in the real world,
9 the perfectly illogical happens all so very
10 often and it is to that extent that this
11 committee sort of has a tradition, a hallmark,
12 if you will, of trying to avoid targets and
13 doing its own work in this particular setting.
14 That was the reason why I asked the question.
15 There was some overburdensome, some economic
16 detriment or something of that nature that would
17 mitigate the particular person who is in charge
18 of the theatre -- owner I should say -- from
19 doing something to at least advise the public at
20 the appropriate spot so they would be on notice
21 and forewarned.

22 All right. Thank you, Mr. Chairman.

23 MR. STEVENSON: I would be happy to
24 talk to the theatre owners association in
25 Pennsylvania and their national office to see if

1 they have any concerns about that and get back
2 to you.

3 REP. REBER: If per chance something
4 would come out of that where you would even have
5 some suggestive language you would want us to
6 refer it to the Chairman, that would be fine.

7 MR. STEVENSON: I would be happy to do
8 that.

9 REP. REBER: Thank you, Mr. Chairman.

10 CHAIRMAN GANNON: Thank you,
11 Representative Reber.

12 Representative Masland.

13 REP. MASLAND: Thank you, Mr. Chairman.
14 I have a comment and then a question at the end.
15 I don't think obviously any of us here are
16 opposed to this legislation. I do note that no
17 one on the agenda is going to present the
18 opposing view. It would have been interesting.
19 Staff might have been able to work a little
20 harder to find somebody to come in with that
21 perspective. It would have made the
22 investigation a little bit easier.

23 I do have to come clean on one thing,
24 though, also. And I guess I take slight
25 exception with Karin Krueger's statement that

1 people that go in theatres to record things are
2 doing an immoral act. I have to defend my
3 grandparents who, back in the 1930s, went in the
4 theatre and did quite a good job of recording
5 the three little pigs, taking it home, and then
6 splicing it with movies of my mother and her
7 brother and sister as my grandfather read to
8 them on the rocking chair and then he spliced
9 away the scene of the Big Bad Wolf and all of
10 those things.

11 MS. KRUEGER: We take it all back.

12 REP. MASLAND: That's okay, that's
13 okay.

14 One other thing you did not mention and
15 I would like to comment on: the consumer
16 protection aspect where people call up and say,
17 hey, there is nothing we can do, there is no
18 money back. I don't know if you want to say
19 buyer beware. Or whether they were, in effect,
20 guilty of receiving stolen property or should
21 have been on the property that that illegally
22 obtained just on the basis of the cut rate
23 price. So I don't have a whole lot of sympathy
24 for them and I don't think that's the major
25 reason for the bill. And I don't know whether

1 these people are going to be scared away by the
2 fact that we have a felony rating as opposed to
3 a misdemeanor. I mean, obviously, it is a very
4 lucrative business. And as we have seen with
5 mandatory sentences with drugs, I don't think
6 mandatory sentences here would work either. I
7 don't know if that's going to be proposed.

8 But I think that's the main thing, is
9 to try to catch them and that is really the
10 difficult aspect of it. To the extent that this
11 legislation helps you do that or spurs on more
12 investigations, I guess, I guess will benefit.
13 But it is a very difficult area.

14 I had heard on the radio just recently,
15 and I was reminded by Brian Preski that there is
16 a big concern also in the area of software for
17 CDs, Microsoft getting ripped-off to the tune of
18 billions in China and different places like
19 that.

20 My question is -- and I am not sure
21 from reading this -- whether or not that is
22 covered or could be covered under this type of
23 legislation. The way I read the recorded
24 device, it does say, on page 2: Any phonograph
25 record, disc ... it goes on to talk about ...

1 sound or images that are recorded. I am not
2 sure. I am no technology on it. I can't say
3 that that is necessarily going to cover the CDs
4 or CD Roms and I was wondering whether you have
5 seen legislation that does do that in other
6 states and if that is something we should try to
7 incorporate?

8 MR. STEVENSON: I think the word disc
9 is the operative word there, to cover, you know,
10 the multitude of discs that are out there, CD
11 Roms, etc. That's a growing problem, I think
12 that Phil can address. And, as you rightly
13 point out, in China, where there is virtually a
14 hundred percent piracy, there are huge factories
15 manufacturing CD Audios, CD Roms, and all of
16 that kind of thing. A lot of it has not found
17 its way back here yet, but it is only a matter
18 of time.

19 We would certainly be glad to re-look
20 at this with you all in terms of maybe
21 explaining that language, but I think that was
22 our intent there.

23 REP. MASLAND: Okay. So you don't
24 intend obviously to exclude them?

25 MR. STEVENSON: Absolutely not.

1 REP. MASLAND: I guess the question
2 would be to make sure that is included if we are
3 going to attack this problem. Certainly, it is
4 very much related.

5 MR. STEVENSON: Absolutely.

6 MS. KRUEGER: Also, if I may add? That
7 is also why we added other tangible article now
8 known or later developed just because technology
9 in all of these areas is moving so rapidly that
10 we really did want to catch the whole range.

11 REP. MASLAND: Sure. And again my
12 grandparents did a much better job. If anybody
13 would like to see that sometime? It is going to
14 be a tough one for me and my brother and sister,
15 who ultimately gets that.

16 MS. KRUEGER: Just don't copy it.

17 CHAIRMAN GANNON: Thank you,
18 Representative Masland.

19 Representative Manderino.

20 REP. MANDERINO: Thank you, Mr.
21 Chairman. I think I more just want to make
22 comments, I guess for the edification of the
23 committee.

24 I understand the problem and am
25 interested in doing something about it and so

1 don't oppose the idea of the legislation. I do
2 have a couple of concerns that I would like us
3 as a committee to look at. One deals under
4 Section 4116 and thereon where they talk about
5 theatre owners' rights and the whole notion of a
6 theatre owner's standard of conduct in
7 investigation being probable cause to believe.

8 I think that we should look at the
9 shoplifting statutes and things like that and
10 see. That is kind of the other comparable area
11 where I could think of somebody who is not a law
12 enforcement person who has a right to detain. I
13 don't know. I think counsel and I, at sidebar,
14 he indicated that he thinks it is a reasonable
15 misstandard, not a legal probable cause
16 standard, and I think that is something that we
17 as a committee should look at.

18 Even in the shoplifting area where
19 people might think of it as being a small in
20 magnitude crime. I don't know how many of you
21 saw the 60 Minutes. I think it was a 60 Minutes
22 expose' in the past month or so about the
23 organized cartels ...

24 MS. KRUEGER: Right.

25 REP. MANDERINO: ... and shoplifting

1 rings and they can net \$500,000 in a week
2 through their organized ring. So we are talking
3 big dollars and big losses in that industry,
4 too. So I think that that is a comparable
5 statute for us to look at when we are talking
6 about whether some of the detention areas in
7 here, some of the grading areas. I don't know
8 off the top of my head how that is graded, but a
9 felony of the third degree and the comparable
10 jail time that that may or may not include, I
11 don't know how that kind of compares but I think
12 that is something that we should be careful
13 about.

14 And I guess my third area where I had a
15 little bit of problem was on page seven. And,
16 again, I don't know that it is a problem, but I
17 want us as a committee to look at it, the
18 liability section, Subsection (c), beginning on
19 line 15. And, again, I would say it seems to me
20 that the liability or limitation to liability
21 that we give in this area, it also makes sense
22 to parallel what seems to work right now and
23 what has been historically used in the retail
24 theft area. So, those are just some areas that
25 I would point out for us as a committee to look

1 at.

2 CHAIRMAN GANNON: Thank you,
3 Representative Manderino.

4 Representative James.

5 REP. JAMES: Thank you, Mr. Chairman.
6 I was just reviewing. And I am sorry that I am
7 late.

8 My concern is that, I was just looking
9 at the third degree felony for the personal
10 offense of taking a recording in a movie
11 theatre. Is that what they asked in this bill?

12 CHAIRMAN GANNON: Yes.

13 REP. JAMES: It just seems that third
14 degree felony, it just seems a little harsh.
15 Isn't that like, I don't know, 17, and 7 years
16 now?

17 And if you make it -- See, I don't see
18 how that relates to the retail theft laws. I
19 don't think that's a third degree felony.

20 MR. STEVENSON: I think the difference
21 here is when you photograph a movie off a
22 screen, that can be duplicated hundreds and
23 hundreds of times over and you are talking
24 hundreds of thousands of dollars potentially in
25 terms of how widely it gets distributed. The

1 movie that is camcordered in a theatre in
2 Philadelphia that winds up on the streets of
3 Pittsburgh, Washington, Norfolk, Atlanta, you
4 know, one picture has created thousands of
5 dollars of revenue and I think that that is our
6 thought behind it. You know, this is just the
7 beginning of the distribution process. It is
8 not like stealing a Polo shirt or a magazine or
9 candy. You are really talking serious, major
10 league theft.

11 REP. JAMES: Well, tell me, what is the
12 violation now?

13 MS. KRUEGER: There is no violation.

14 MR. STEVENSON: There is no violation.

15 REP. MANDERINO: How about for
16 knock-off Guci watches? I mean, isn't that
17 something that you make one template and you can
18 reproduce hundreds and thousands of them? I
19 mean, that might be a --

20 MS. KRUEGER: Yeah, that's trademark.

21 REP. MANDERINO: You know, but that
22 might be a comparable area to look at.

23 MR. STEVENSON: But that is done,
24 that's primarily done overseas as opposed to
25 those which are done right in our back yards and

1 that's --

2 REP. MANDERINO: I am sorry, Mr.

3 Chairman. I am out of order.

4 CHAIRMAN GANNON: Why don't we let
5 Representative James finish up and then you can
6 go back.

7 Go ahead, Representative James.

8 REP. JAMES: I have no problem because
9 that was helpful.

10 I just think that the degree is too
11 serious for that type of offense at this time in
12 terms of putting it first offense into a felony
13 category. I think it is just, it is just not --
14 I don't think that's good.

15 I also, what happens, and I was just
16 looking to see, what happens if someone buys one
17 of these bootleg tapes? Is that covered in this
18 act?

19 MS. KRUEGER: Are you saying is it a
20 crime, is it a crime to buy it?

21 REP. JAMES: Right.

22 MS. KRUEGER: No.

23 REP. JAMES: Okay. That's all I have
24 at this time. Thank you.

25 CHAIRMAN GANNON: Thank you,

1 Representative James.

2 Representative Wogan.

3 REP. WOGAN: I have no questions, Mr.
4 Chairman.

5 CHAIRMAN GANNON: Representative
6 Maitland.

7 REP. MAITLAND: I just want to thank
8 you for your testimony. And maybe in relation
9 with what Representative James is saying, we can
10 make it a felony if someone has duplicating
11 equipment, but a misdemeanor and then if they
12 are making it for their own use in some way.
13 Just throw that out.

14 CHAIRMAN GANNON: Thank you.

15 Representative Manderino, you had some
16 other comments?

17 REP. MANDERINO: I am sorry, Mr.
18 Chairman. I apologize to the members and to the
19 panelists, too. I got too excited, kind of
20 understanding where Representative James was
21 going. And I was just, my mind was spinning
22 with parallel examples of what we have right
23 now. And knowing that we have, while you may be
24 correct in saying it is not like a retail theft
25 where you steal the jacket and it is only one

1 jacket, I guess we have, it is more like a
2 trademark theft where you steal the idea or the
3 concept and you make lots of them. And so I was
4 just more for the area of the committee that
5 that is another area that we may look at how are
6 we treating that now and is that working and is
7 what we are proposing here comparable or more
8 stiff. That was my comment.

9 CHAIRMAN GANNON: Anybody?

10 REP. JAMES: Mr. Chairman?

11 CHAIRMAN GANNON: Representative James.

12 REP. JAMES: Jim, I thank you.

13 One other comment. Has there been any
14 thought of that the people in the movie theatres
15 are participating in this?

16 MR. PARKER: Do you mean employees of
17 the theatre itself?

18 REP. JAMES: Yes.

19 MR. PARKER: Who may know that?

20 REP. JAMES: Right.

21 MR. PARKER: Someone who runs the
22 projection booth and so forth?

23 REP. JAMES: Right, right. Because I
24 saw the bootleg tapes and they look real good.
25 You know, it has to come from somebody that is

1 in the theatre.

2 MR. PARKER: That certainly is
3 something that we have seen, that a person,
4 employed by the theatre, has been involved in
5 camcording that particular presentation. Yes,
6 that has happened. And, as of right now,
7 though, there is no violation.

8 REP. JAMES: So this would cover them?

9 MR. PARKER: That would cover it.

10 But getting back to the seriousness of
11 this aspect, the actual camcording of that
12 movie is the basic part of the whole criminal
13 enterprise. Without that, the crime, there is
14 no crime. So I think it is, you have to look at
15 the aspects of where is it the worst part? It
16 is right at the beginning. Sure, if somebody is
17 duplicating, and they can duplicate other
18 things, but they can't duplicate that movie
19 unless they start. So as far as the seriousness
20 is concerned in class three or whatever, I think
21 that the judge, jury, prosecuting officials,
22 would have the ability to use it as a felony to
23 get throughout this entire criminal enterprise.
24 It can be a tool, but it is a very serious part
25 of the whole crime.

1 MR. STEVENSON: I guess maybe another
2 analogy would be, it would be just like somebody
3 walking into the Melon Bank and stealing a
4 hundred, 200 thousand dollars. That is
5 comparable to camcording a movie off a screen
6 because it can generate those kinds of dollars.

7 REP. JAMES: You know, I --

8 MR. STEVENSON: In terms of our asset,
9 I guess is what I am saying. You know, we
10 consider each particular movie that our
11 companies produce as a business, especially when
12 you are investing \$50 million. It takes a long
13 time to get a return on that investment. And
14 when our asset, our only asset is being recorded
15 and then duplicated over and over and over
16 again, those are all lost, potentially lost
17 sales, rentals, people going to the movie
18 theatre, and that is the only way we can make
19 our money.

20 REP. JAMES: We also, when someone goes
21 into a bank and robs it or takes the money, that
22 is a violent crime and it has the potential to
23 hurt other people or someone that could lose
24 their life. That is not the same as someone
25 doing a video of a movie.

1 MR. STEVENSON: I guess I should have
2 been clear. I was thinking more of somebody
3 that didn't come in a gun, but somebody that got
4 into the vault and stole the money. I certainly
5 agree with you.

6 REP. JAMES: You may be talking about
7 the manager that would take the money out, or a
8 bookkeeper.

9 MR. STEVENSON: I am sorry, I should
10 have been more clear. I agree with you.

11 REP. JAMES: But I just think that if
12 you, I understand what the problem is and I
13 think something needs to be done about it, but I
14 think it is just extremely outrageous to charge
15 somebody with a felony for a personal offense.
16 And I think that we have to, we need to look at
17 it to say that if you are making it a
18 misdemeanor and if the investigators can prove
19 that this is a big business, then you raise it,
20 raise it, based on it. And I think we have got
21 some laws that can cover that kind of thing that
22 we can deal with. Hopefully that are going to
23 deal with it.

24 Thank you, Mr. Chairman.

25 CHAIRMAN GANNON: Thank you,

1 Representative.

2 What happens today, for example, the
3 movie house owner, or manager, whatever, he
4 finds somebody in the theatre videoing one of
5 these first-run movies, what happens today?

6 MR. PARKER: In most cases, if the
7 manager cares, he can ask the person to stop
8 recording. He can ask the person to leave, I
9 think, if he thought that that person is
10 carrying out an activity on his premises that is
11 something he doesn't want to happen.

12 I think, in most cases right now, the
13 movie theatre owners or managers don't want to
14 get involved. They see somebody doing something
15 and say, well, what recourse do I have? So I
16 think, in most cases right now, nothing happens.

17 CHAIRMAN GANNON: Well, assuming that
18 this became law, what would be the incentive for
19 the owner of the movie house or the manager to
20 get involved now?

21 MS. KRUEGER: Well, the first thing is,
22 they could call the police and know that they
23 would come, there is a violation there, there is
24 something that actually was being committed that
25 was against the law and they could call someone

1 to come and do something about it. Certainly,
2 they could still ask them to stop and leave if
3 that is the way they chose, but, more
4 importantly, they have a stronger recourse; and
5 they can also take the tape, they can seize the
6 tape.

7 CHAIRMAN GANNON: When you have the
8 situation where the pirated film gets out there
9 and the quality is bad and somebody puts some
10 material on there there that was inappropriate,
11 do you get complaints? In other words, people
12 go to the legitimate producers and say I got
13 this bad video here and they are looking for you
14 to redress something they bought from the black
15 market, do you have instances of that?

16 MR. PARKER: Yes, we certainly do.
17 Some of the public is gullible. They do buy
18 Guci watches for 25 or 50 bucks and become
19 disappointed when their wrist turns green. Some
20 buy 007 on the street knowing that it just came
21 out in the theatre and think that it is a
22 legitimate tape and when they get half way
23 through it and the tape breaks, they do call the
24 studios or they do call the Motion Picture
25 Association and say something is wrong here, I

1 have been robbed, I have been cheated, what are
2 you going do about it? Yes, we do get those
3 complaints.

4 CHAIRMAN GANNON: What about, you
5 mentioned foreign countries. Are you seeing any
6 instances where some foreign countries that
7 don't respect the copy right laws are actually
8 exporting their pirated copies to our country or
9 other countries? In other words, is this
10 becoming an international business to steal one
11 of these first-run productions and then video it
12 and then take it and copy it and try to export
13 it or sell it abroad?

14 MR. STEVENSON: I don't think there is
15 any government that actually that we have
16 knowledge of that is involved directly. I mean,
17 we are in very cordial negotiations with most
18 countries, particularly in the Far East where
19 piracy is rampant. China is a huge problem for
20 a number of different reasons, but we have
21 ongoing talks with them at this point. But
22 there are people within those countries that,
23 you know, do have influence, upon government
24 officials, where the activity continues.

25 Russia is a major, major problem. In

1 fact, about a year, I guess it was about a year
2 and a half ago, Jack Valenti, through Mickie
3 Kantor's office, through the United States trade
4 representative, we will just not export anything
5 at this time because of the fact that it is 100
6 percent pirated tapes. I mean, in the theatres,
7 on the street corners, in retail outlets. And I
8 don't think that situation has changed.

9 But the more we can do, in terms of
10 foreign markets, is to demonstrate that we are
11 taking care of business at home, the easier it
12 is for us.

13 I mean, in Washington, it was horrible.
14 Last summer, there were pirates on every street
15 corner and we were getting calls from embassies,
16 from the U.S. trade representative. You know,
17 you name it. The studios obviously. And most
18 of those tapes were being made in Philadelphia
19 and being shipped into Washington.

20 MR. PARKER: Excuse me, sir. We did
21 clean up the streets in Washington this year.

22 MR. STEVENSON: That's true, we did.

23 CHAIRMAN GANNON: Now, under existing
24 law, what are the tools now that you have to you
25 say clean this up? What are you acting under?

1 MR. PARKER: There was no law in the
2 District of Columbia prohibiting the sale other
3 than the federal law. And the bureau, the FBI,
4 would not investigate these because it didn't
5 meet the certain thresholds that had been set
6 forth by the U.S. Attorney's Office. So the law
7 was put into effect about videocassettes, and it
8 basically is attributing the redress section.
9 And then later on, the camcording aspect of it
10 was enacted. Therefore, that gave the District,
11 the Metropolitan Police Department, the tool to
12 use in removing these offending items from the
13 vendors' booths. They knew it was there, but
14 there was no violation of any District of
15 Columbia statute. So that gave us the tools, we
16 were able to help them and provide the manpower
17 and provide them with probable cause necessary
18 to either effect an arrest or make a seizure of
19 the illegal tapes.

20 CHAIRMAN GANNON: Are there any
21 particular movie houses that you see this occurs
22 on a regular basis? I mean, for example, do you
23 have a premiere movie and then is that where
24 they most, most of the activity is focused?

25 MR. PARKER: I can't say that they come

1 from any particular theatre. There are
2 certainly some that we suspect more than others,
3 but we have only identified probably two or
4 three, and we can't show any pattern at this
5 point.

6 CHAIRMAN GANNON: Thank you. Just a
7 comment. Representative James had, I thought
8 his concern was, it was well expressed. But
9 right now in the retail theft law, we go to a
10 third degree felony and it is principally based
11 on the amount of the offense. And my analogy
12 here would be, I can understand some concern if
13 we are talking about stealing one T-shirt,
14 tucking it under your jacket and walking out.
15 This is almost analogous to stealing a truckload
16 of T-shirts.

17 MS. KRUEGER: Yes.

18 CHAIRMAN GANNON: You know, a couple of
19 thousand T-shirts in that truck may be worth
20 substantial more money, I think that's what the
21 reasoning was behind the more extreme penalty.
22 Because I would think that if I am looking at a
23 hundred and fifty dollar fine for doing this,
24 that is just the cost of doing business if I get
25 caught.

1 MR. STEVENSON: (Nods head
2 affirmatively.)

3 CHAIRMAN GANNON: It is just like these
4 drug runners: they lose a hundred thousand
5 dollar boat, that is just the cost of doing
6 business, they go out and buy another boat and
7 start their running all over again. So my
8 concern would be, that seems like an
9 insignificant act, just going in and taking.
10 These aren't family vacation films. They are
11 out there looking to make a substantial amount
12 of money for just one, you know, have one
13 service operate significantly. It has great
14 consequences for people.

15 Particularly, my concern is not so much
16 for the movie stars who make livings, I am
17 thinking of: I got a couple of video stores in
18 my district and these people have made a big
19 investment. They hire people and they have a
20 big investment in their buildings and they pay
21 taxes and somebody out on the street corner is
22 undermining them by selling these tapes for 10
23 bucks instead of people going into the rental
24 stores and so I see that impact directly on the
25 people I represent. It is ridiculousness. And

1 I have talked to them and they say, yeah, we
2 have a problem with this. You know, they get a
3 first-run movie and people say, oh, I don't want
4 to rent it, I have already seen it. And they
5 pay a substantial amount of money to have the
6 rights to rent those films.

7 Thank you.

8 Any other questions from anyone?

9 REP. WOGAN: Mr. Chairman, if I may?

10 CHAIRMAN GANNON: Yes, Representative
11 Wogan.

12 REP. WOGAN: Thank you, Mr. Chairman.

13 The Chairman asked a question, what
14 sort of statutes were we using to prosecute
15 people who were dealing in bootleg tapes, discs,
16 whatever, and the answer really centered on what
17 was going on in Washington, D.C. But isn't it
18 true that there are prosecutions in
19 Pennsylvania? Because I have run into them, I
20 have seen them in courtrooms. In fact, if my
21 memory serves me correctly, I believe the State
22 Attorney General's Office is often involved in
23 these prosecutions and not local county
24 prosecutors. And I thought maybe you could,
25 just from the little that I know about watching

1 segments of these cases in courtrooms, it
2 appears that they are very difficult to
3 prosecute and it requires a great deal of
4 resources on the part of the law enforcement
5 agencies.

6 Because one case I did have some
7 familiarity with, I understand that agents of
8 the State Attorney General's Office had to
9 actually have this center of bootlegging where
10 you are, I guess, distributing the tapes, under
11 surveillance for several weeks and had to
12 catalog who was coming in and had wire stamps
13 and everything. And if my memory serves me
14 correctly, I think this was a group of
15 Palestinians, who were not even American
16 citizens. And I am wondering if you can tell us
17 maybe a little bit about the difficulties that
18 are presented to prosecutors, because obviously
19 there are reasons some statutes, which are
20 probably inadequate.

21 I mean, I think that you are suggesting
22 here, this bill is an excellent bill. And I
23 will vote for this, both in committee and on the
24 House floor. But maybe it would help us on the
25 House floor and also in committee if we

1 understood some of the real difficulties the
2 prosecutors and law enforcement officials have
3 in trying to attack this bootlegging problem.

4 MR. STEVENSON: Let me answer the first
5 part of your question and then I will let Phil
6 comment on the law enforcement aspects.

7 Basically, Pennsylvania was one of the
8 first states to enact what Karin referred to
9 earlier as the true name and address statute
10 which we have been able to work with law
11 enforcement throughout the state to be able to
12 prosecute people that were duplicating and
13 bootlegging videocassettes. And I think Phil
14 has indicated some of the arrests and you have
15 alluded to them, also. So there is something on
16 the books right now that we are able to do
17 within the Commonwealth.

18 Beyond that, what we are looking for
19 here is additional tools to deal with an ever
20 growing problem and new problems in terms of
21 camcording.

22 And you are right, in terms of the
23 difficulties and so forth, and I will let Phil
24 comment on that. But, yes. And, I mean, you
25 all have been very supportive in that effort,

1 both in terms of passing legislation early on
2 and law enforcement being cooperative with this,
3 you know, when they can, in terms of being able
4 to effect arrests.

5 One other thing I might want to say is,
6 we have, Phil's part of it, you know, half of
7 our organization is devoted to investigating and
8 bringing to law enforcement these cases. Our
9 utilization of law enforcement time is minimal.
10 Essentially, we are the back office operation to
11 effect those. Because, obviously, you know law
12 enforcement has a lot to do in Pennsylvania with
13 other more serious offenses. But, at the same
14 time, we need additional tools because this
15 problem has gotten way out of hand.

16 MR. PARKER: I didn't mention, I am
17 retired from the FBI, I retired in 1986 as
18 Deputy Assistant Director. All of our field
19 representatives are retired FBI special agents
20 or retired state troopers, Pennsylvania,
21 Maryland, Virginia, throughout the United
22 States. Our goal, when we get a complaint, is
23 either civil action against a particular party
24 or a criminal action.

25 When we see a criminal enterprise

1 ongoing, that is something that we want to take
2 down as a, through the efforts of either the
3 FBI, the state, or the local police. We tell
4 the police -- whoever they are -- at the
5 beginning that we are conducting an
6 investigation into the activities of someone.
7 The first reason is, we want to be up front with
8 the law enforcement organization; and, two, we
9 don't want to go in and screw up some
10 investigation that they may already have
11 ongoing.

12 We find that these people are getting
13 more violent, everyone is alert for weapons that
14 these people are carrying now and it is more and
15 more prevalent.

16 And, Representative, I don't know if
17 this is the case which you are speaking of? In
18 Upper Darby, we had, I think there were 12
19 arrests and several, tens of thousands of
20 videocassettes that were seized.

21 REP. WOGAN: This was a Philadelphia
22 case.

23 MR. PARKER: A Philadelphia case.

24 Well, I don't know of any cases that we
25 have used wire taps or -- certainly not the MPA.

1 But the state police or local or FBI, I don't
2 know of any case that has required that degree
3 of intrusion. We can normally develop the
4 probable cause, satisfy the prosecuting
5 attorney, whether it is the District Attorney's
6 Office or the State Office, and go from there.

7 So the time that is necessary for the
8 Pennsylvania law enforcement organization to put
9 into these investigations is really minimal.
10 Our guys go out and do the leg work, take it to
11 the state police or local police and then it is
12 basically a package that they can work with from
13 that moment on.

14 They trust, we have built up a trust
15 with them, they trust us, they know that we are,
16 we have no reason to go in and screw up the case
17 so it is very meticulous in our approach and
18 honest and forthright on all of them. Without
19 that trust, which we have done throughout the
20 United States, we are not any good to anybody.
21 I hope that answers part of it.

22 MS. KRUEGER: If I can just add one
23 more thing?

24 REP. WOGAN: Thank you.

25 MS. KRUEGER: I think the real

1 importance of this legislation, in adding to
2 what is already there, is that it really, it
3 increases the penalties so that people, once you
4 get one of these guys off the street, it is
5 going to keep them off the street for a while;
6 and, to hopefully stop, you know, more
7 dramatically cut down on those that are out
8 there doing this, as opposed to right now, where
9 it is just, as the Chairman said, the cost of
10 doing business; bam, they are out again the next
11 day doing it. So the real, you know, the push
12 on this is that it is going to make a difference
13 and dramatically cut back.

14 REP. WOGAN: Thank you very much.

15 Thank you, Mr. Chairman.

16 CHAIRMAN GANNON: Thank you,
17 Representative Wogan.

18 Any other representatives, questions?

19 (No response.)

20 CHAIRMAN GANNON: Thank you very much
21 for coming today and presenting this information
22 and handling some of the questions from the
23 committee members. It has been very
24 enlightening, and we are going to work on this
25 bill and bring it up to the committee for

1 consideration in a very short period of time.

2 Thank you.

3 MR. STEVENSON: Thank you, Mr.

4 Chairman.

5 MR. PARKER: Thank you, Mr. Chairman.

6 MS. KRUEGER: Thank you.

7 CHAIRMAN GANNON: Could you do me a
8 favor? You had some written comments, could you
9 hand them to stenographer so she can attach it
10 to the transcript? It is in the statement, In
11 Support of Pennsylvania House Bill 2295; and a
12 letter from the Recording Industry Association
13 of America. We will add these as exhibits to
14 the testimony. Thank you for the testimony.

15 (Whereupon, the public hearing was
16 adjourned at 1:25 p.m.)

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1 I hereby certify that the proceedings
2 and evidence are contained fully and accurately
3 in the notes taken by me on the within
4 proceedings, to the best of my ability, and that
5 this copy is a correct transcript of the same.

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Roxy Cressler, Reporter

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Notary Public

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