

Brazil Starts Year by Burning 130,000 Pirated DVDs and CDs

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Around 130,000 counterfeit products, CDs and DVDs, were destroyed by municipal urban control agents today in Rio de Janeiro, Brazil. The products were confiscated from the city's street vendors in operations conducted last year by municipal inspectors.

According to municipal government secretary João Pedro Figueira, the illicit trade is detrimental to the country in numerous ways.

"Unregulated commerce needs to be combated. Informality is bad for Rio and for Brazil nowadays, since it wipes out many formal jobs," he remarked.

Municipal government data indicate that informal industry currently compromises 18,000 formal jobs in Rio de Janeiro.

Besides destroying the counterfeit items, the municipal government plans to donate the material used in the CD and DVD covers to the non-governmental organization, Social Work, which serves over 200 needy communities in the municipality. The institution will sell the plastic and paper to recycling cooperatives.

A study released by the Brazilian Public Opinion and Statistics Institute (IBOPE) in 2005 on consumer habits on the informal market suggests that Brazil is deprived of US\$ 5.1 billion in taxes annually as a result of the piracy that prevails in three sectors: clothing, tennis sneakers, and toys.

According to the study, this amount would be sufficient to cover 26% of the Brazilian Social Security debt. A simulation of the impact of the informal market in toys, clothing, and tennis sneakers shows that the three sectors do around US\$ 13.6 billion in business annually.

The counterfeit CD sector, according to the study, leads the rankings of items produced and purchased in greatest quantity on the informal market, 70% and 67%, respectively.

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