

## Coke, Samsung pull Vietnam site ads

October 3 2012, by Chris Brummitt

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(AP)—Coca-Cola and Samsung have pulled their advertising from a popular Vietnamese website notorious for providing unlicensed downloads of Western and local songs, in a rare victory against online piracy in a country where it has grown unchecked.

The companies abandoned Zing.vn after The [Associated Press](#) alerted them to local and international concerns about the website, which is the sixth-most visited in the nation of 87 million people.

Zing's audience of young, tech-savvy [web users](#) has made it attractive to companies wanting to promote their products in a fast-growing Asian market where some 30 million people are online. It was unclear if the companies were ignorant of the content of the site or chose to ignore it.

Besides Coca-Cola Co. and [South Korea's](#) Samsung, other multinationals that have advertised on Zing include Canon, Yamaha, Intel and Colgate Palmolive. Zing said in a statement it couldn't comment.

The presence of international advertising added to the [legitimacy](#) of Zing, causing particular anger among Vietnamese artists who felt the site was profiting from their work without compensating them. After being contacted by The AP, Samsung and Coca-Cola said in separate statements they had withdrawn their ads.

"We highly respect and value [intellectual property rights](#), and stand against acts of infringement, such as the unauthorized copying and distribution of copyrighted material," Samsung, which was advertising

its Galaxy tablet on Zing, said in a statement. "Accordingly, our advertisements on Zing.vn have been withdrawn."

Coca-Cola said it had stopped advertising on the site and would "investigate their practices before making further decisions."

The drinks company had an especially close association with site, which also features games, instant messaging and a social media network. In 2011, it collaborated with Zing on a music awards ceremony, according to Zing's website. A special site created for the campaign attracted close to 6 million people who visited 10 million times, according to the website.

The music industry in the United States has complained about well-known companies whose ads appear on illegal downloading sites and is trying to get them to stop such advertising. Those commercials are mostly placed by ad networks contracted by agencies working for the companies. In May, the Association of National Advertisers issued guidelines to its members urging them to try and prevent such placements.

The decision by Coca-Cola and Samsung could add impetus to efforts by Vietnamese web companies to clean up their act.

Vietnamese company MV Corp, which represents around half of the local music industry, says some of the biggest sites, including Zing, plan to begin charging for music on Nov. 1. But it is unclear whether the deal means they will take down their infringing material, or whether Western recording companies will take part.

Stopping rampant illegal downloading of songs is a priority for the music industry worldwide, but progress has been patchy as consumers get used to free music. As broadband internet connections have grown in Asia,

the problem has gotten worse. Vietnam has passed laws against piracy, but has failed to enforce them, enabling sites like Zing to grow into respectable businesses.

Recording artists in Vietnam no longer can make money selling music. They have had to live with the reality of illegal downloading as they seek promotional opportunities or sponsorship to earn a living. Zing's giant reach was important to them even as it attracted complaints. One entertainment music executive complained bitterly about the site, but said that he couldn't publicly speak out against it because it would not highlight his company's songs.

Still, one of Vietnam's most popular singers, Le Quyen, has begun legal proceedings against Zing and eight other websites to try and get compensation, according to her lawyer Le Quang Vy.

"By complaining against the offending websites, she wants to get justice for herself and remind them that they owe the performers," he said. "If no halt is put to the violation of copyrights ... the country's musical life will perish."

Zing is owned by VNG Corporation, a Vietnamese Internet company that is the leader in the lucrative online gaming market. The company has attracted investment from IDG Ventures of San Francisco and Goldman Sachs.

Like others around the world, Zing collects links to infringing content and gives users the ability to engage in piracy through "deep linking". According to Alexa, the web tracking company, about 20 percent of Zing's visitors come from outside Vietnam. It said 60 percent of the traffic on the site goes to the download section.

The International Intellectual Property Alliance, which this year accused

Zing.vn of engaging in "notorious" piracy, welcomed the move by [Coca-Cola](#) and Samsung.

"It is essential that good corporate citizens refrain from spending advertising dollars on services that engage in or encourage infringement," said alliance representative Michael Schlesinger.

"Breaking the chain of support for such notorious piracy services will erode the incentives for illegal services to operate."

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