LOS ANGELES (Reuters) - Warner Bros.'s video unit on Tuesday unveiled plans to sell movies and television shows to BitTorrent Inc. for legal downloads from the Web site that was once blamed for aiding the swapping of illegally copied films and programs.

The pact marks a big step for Hollywood as it increasingly makes digital files of movies and TV shows available on the Web because until last year, BitTorrent's software and Web site were considered to be aiding piracy of major studio films.

But in November, BitTorrent agreed with the Motion Picture Association of America, which represents Hollywood's major studios, to help stem illegal swapping of digital movies and TV shows by removing links to pirated copies.

Executives from Warner Bros. and BitTorrent said the MPAA pact and new digital rights management (DRM) software from BitTorrent were key elements in bringing the parties together.

"We've come to a point where you have sufficient consumer demand and we have the technology that is now mature enough," said Jim Wuthrich, senior vice president, Warner Bros. Home Entertainment.

Starting this summer, Warner Bros., a unit of No. 1 media company Time Warner Inc., will make more than 200 films including blockbusters such as "Harry Potter" and the Goblet of Fire" and TV shows like "Babylon 5" available at BitTorrent.com.

The content will be available on the same day and date they are put on sale in retail stores, but cannot be copied and burned onto a DVD. They must reside on a computer drive.

BitTorrent will charge customers, and while final prices have not been set, the company expects TV shows to be priced comparably to the current rate of $1 per episode on other Web sites and movies to be around the price of a new DVD.
"We have just been embraced by the largest movie studio that is owned by largest media company," said Ashwin Navin, co-founder of BitTorrent. "We expect to see more deals and to push the envelope" for getting people video on the Web.

He said the site was in talks with other studios for similar deals but did not name them. Nor, did he say when BitTorrent expected to sign other agreements.

For years, the studios have been worried that offering digital movies online would lead to illegal copies being traded and sold. Overall, the studios figure piracy costs them $6.1 billion in lost revenue.

But in recent months, the studios have begun to enter the nascent market for legal digital downloads. Last month, they said they would make movies available for legal downloads that users could own indefinitely. Until then, movies were available for download to be stored for a brief time, then erased.

Consumers continue to want to download movies and burn copies on blank DVDs, but executives in Hollywood believe that type of service is still months and perhaps even years away.
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