

Monthly Report of January 2002

- By Country:

THAILAND
PRC
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THAILAND

News in January 2002

1. Registration of patents and trademarks to be speeded up
(from Thai Daily Digest, 3 January 2002)

The Intellectual Property Department will speed up registering patents for new inventions, the department's director-general Yanyong Phuangrath said. He admitted the department's time-consuming procedures in issuing patents has discouraged Thai investors from putting forward innovative ideas for registration, admitting about 2,000 new inventions are waiting for patents at present.

From now on, the department will outsource the examination process to academic institutions to shorten the registration period, adding the number of pending applications will be reduced by 50 per cent this year. Moreover, the department has about 7,000 trademark applications pending and aims to clear at least 80% of this by next year.

2. Battle over the Tuk-Tuk

(from The Nation Newspaper, Local News Section, Page 2A, Thailand, 3 January 2002
The Nation Newspaper, Local News Section, Page 3A, Thailand, 4 January 2002
Thai News Service, 4 January 2002
The Straits Times Newspaper, Singapore, 4 January 2002
Thai Daily Digest, 4 January 2002
Business Day, Thailand, 7 January 2002)

The authorities are stepping up efforts to keep the world-renowned Tuk-Tuk a uniquely Thai invention, following a modified version of the vehicle having been registered for a trademark in Britain.

Department of Intellectual Property has also repeated its warning to inventors and businessmen that they must always be on the alert to protect local creations against "opportunists" from abroad.

However, deputy Commerce Minister Suvarn Valaisathien admitted his ministry could not stop the MMW in the United Kingdom from patenting “MMW TUK TUK” as a trademark because the British authorities had already registered the trademark. He said that because MMW has already patented the trademark, the Thai government could not oppose the patent.

3. Grammy insists on collecting own fees

(from Bangkok Post Newspaper, Business Section, Page 3, Thailand, 3 January 2002)

GMM Grammy Plc remains adamant about collecting its own music copyright fees, rejecting the Department of Intellectual Property’s latest initiative to set up a central collecting agency. The company reiterated its position at a meeting when the department offered to serve as the central organization to distribute copyright fees collected from karaoke operators to recording firms.

4. Pirated software from Thailand confiscated

(from Bangkok Post Newspaper, Prime News Section, Page 1, Thailand, 8 January 2002)

Jordanian authorities have seized 41,000 items of pirated software from Thailand, in one of the most important anti-piracy operations since the amendment of the copyright law in 2000. The software is worth hundreds of thousands of dollars.

5. Police, shop receive bombs

*(from Bangkok Post Newspaper, Home News Section, Page 2, Thailand, 12 January 2002
The Nation Newspaper, Local News Section, Page 3A, Thailand, 12 January 2002)*

Two packages of explosives were sent to Police Region 5 Bureau (Chiang Mai) and a video rental center in the wake of a campaign against piracy. The packages came by mail, but did not contain detonators. A note warned that more would come if Pol Maj-Gen Kittitad did not ease up on the crackdown.

Police believe the threat may be related to an on going spat between video rental shops and Show Time, which receives a concession from CVD International to lease CVD products.

6. A Tuk-Tuk by any other name

*(from The Nation Newspaper, Business Section, Page 1B, Thailand, 15 January 2002
Bangkok Post Newspaper, Business Section, Page 1, Thailand, 15 January 2002
Reuters News Service, 15 January 2002
Business Day, Thailand, 18 January 2002)*

Thailand will apply to register “Thai Chaiyo” as the brand name for its national vehicle – the three-wheelers better known as Tuk-Tuks. The name Tuk-Tuk has already been registered by a UK importer.

The pilot vehicle will be ready for qualifications testing in March and commercial production will start in June.

7. Music-fee collection “still vague”

(from The Nation Newspaper, Business Section, Page 2B, Thailand, 18 January 2002)

The Thai Magnetic Tape and Record Association expressed concern over the lack of clarity in the proposed establishment of a private central agency to collect music copyright fees from commercial users.

Secretary general Sutisak Pasarnkarukarn said the law should identify the collection agency’s role and specify the terms and responsibilities of the management team and full-time staff. The agency should also be set up as a non-profit organization to avoid paying taxes. The agency might come under supervision of the Department of Intellectual Property, he said.

8. Truce over ‘but we can still talk’

(from The Nation Newspaper, Business Section, Page 1B, Thailand, 18 January 2002

Bangkok Post Newspaper, Database Section, Page 3, Thailand, 23 January 2002)

The BSA said the truce period for corporate violators of software-copyright laws was over, but it was still prepared to negotiate if companies really wanted to do the right thing. However, there has been some confusion over whether the BSA would extend the truce period to April to give Internet shops time to shift to using legal software, which is not true.

9. TV to air dramas on piracy

(from The Nation Newspaper, Business Section, Page 1B&2B, Thailand, 19 January 2002

The Straits Times Newspaper, South East Asia News Section, Page A5, 21 January 2002)

Deputy Commerce Minister Suvarn Valaisathein will meet with executives from GMM Grammy Plc and RS Promotion Co to discuss dramatizing copyright infringement as part of the government’s crackdown on the pirating of CDs, VCDs and other products.

He will ask the companies to make the issue a subject of new TV dramas in order to raise awareness among consumers. And the Ministry will also meet at the beginning of next month to consider a long-term strategy for apprehending the manufacturers and vendors of counterfeit products that operate in leading department stores.

10. Call to rethink patents

(from Bangkok Post Newspaper, Home News Section, Page 2, Thailand, 19 January 2002)

International law and agreements on intellectual property rights could hold back development of Thai traditional medicine. Thai companies lacked the capital to make big investments in research, so were missing out in the race to patent products. Meanwhile, the Convention on Biodiversity allowed overseas companies to harvest local wildlife or fauna,

turn them into products and sell them for huge profits without having to compensate local people.

11. United front formed to fight pirates

(from Bangkok Post Newspaper, Business Section, Page 1, Thailand, 19 January 2002)

Copyright owners across the country are forming a united front to establish and Thai Intellectual property Alliance (Tipa) to fight counterfeiters. The industry group would provide resources for suppressing illicit activities, especially helping authorities trace sources and evidence of illegal manufacturing plants.

Tipa's members will include TRIA, which groups 14 local and international music labels; the Thai Magnetic Tape and Record Association; Motion Picture Associates, a group of Hollywood film importers; the BSA, and distributors of local and imported branded accessories.

12. US pledges support in rice dispute

*(from The Nation Newspaper, Business Section, Page 1B&2B, Thailand, 23 January 2002
Bangkok Post Newspaper, Business Section, Page 1, Thailand, 23 January 2002)*

The United States said it would help Thailand register its jasmine rice as a trademark of geographic indication according to the rules of the WTO. The US Patent and Trademark Office would help Thailand to set up the system to register certification of trademark in Thailand and then extend it to the US and other countries.

13. Parts firm caught using illicit software

(from Bangkok Post Newspaper, Business Section, Page 3, Thailand, 25 January 2002)

A major auto parts manufacturer in Ayutthaya has become the first company to be raided and prosecuted by the BSA after its so-called truce expired early this month. The name of the auto-parts company, which had around 400 employees, would not be revealed until out-of-court negotiations on compensation for damages were concluded.

14. Microsoft issues warning on 'recycled' software licences

(from Bangkok Post Newspaper, Database Section, Page 1, Thailand, 30 January 2002)

Microsoft (Thailand) has warned anyone receiving its genuine original equipment manufacturer (OEM) packages to look carefully before accepting the software, as a number of second-hand or counterfeit OEM licences have been found.

Users who get illegal licences are not eligible for any rights or protection under the OEM licence terms, according to Microsoft.

15. VCD movie prices slashed

*(from The Nation Newspaper, Business Section, Page 1B&2B, Thailand, 31 January 2002
Bangkok Post Newspaper, Business Section, Page 3, Thailand, 31 January 2002)*

In another move by copyright owners to combat the problem of rampant piracy, CVD International will slash the price of some of its movie VCDs. The company is currently in negotiations with other leading Hollywood studios, including Paramount and Warner Home Video, for permission to cut VCD prices.

PEOPLE'S REPUBLIC OF CHINA

News in January 2002

1. Customs confiscates 250,000 illegal floppy disks

(from Agencia Efe, 12 January 2002)

The customs in Haikou, capital of south China's Hainan Province, confiscated 250,000 floppy disks illegally bearing the "Sony" trademark. A company based in Hainan declared to the customs last April it was exporting the disks, worth of 21, 750 US dollars.

But the customs found that the company labeled the disks with the "Sony" trademark without authorization of Sony Co. based in Japan. The customs ruled that the company has infringed upon Sony's exclusive trademark right according to the Customs Regulations of the People's Republic of China Concerning the Protection of Intellectual Property.

2. China's first library on Japanese patent opens in NE City

(from Bernama Daily Malaysian News, 14 January 2002)

A library storing information on Japanese patents was recently established in this capital city of northeast China's Jilin Province. Jilin Provincial Library on Japanese Patent Documents, the first of its kind in China, was jointly founded by Changchun University and Jilin Institute of Scientific and Technical Information.

The newly established library houses some 20,000 volumes of documents on Japanese patents as well as information on billions of patent items.

3. Officials rid piracy from their offices

(from China Daily, 15 January 2002)

Xinhua's China Economic Information Service, 24 January 2002)

Government chiefs are to purge their offices of pirated software in a move aimed at speeding up the use of copyrighted, patented products. In a campaign called the "patent movement", government departments will set the lead for the whole of society to use copyrighted, patented software products. The result is expected to be announced before Spring Festival on February 12.

4. ODJ Japan to ask China to curb piracy of intellectual property

(from Dow Jones Commodities Service, 17 January 2002)

Japan will ask China to crack down on the piracy of intellectual property belonging to Japanese firms, such as design and technology used in motorcycles, in view of the proliferation of Chinese-made copies of Japanese products, government and industry officials said.

Japan will also bolster cooperation with the governments of the United States and European Union nations to stem the piracy by Chinese businesses of Japanese, US and European industrial products, they said.

Japan will invite Chinese government officials in charge of the protection of patents to Japan to provide them with opportunities to learn how to curb the piracy of intellectual property rights, they said.

5. State council releases new statute on copyright protection of computer software products
(from *Interfax China IT & Telecom Report*, 18 January 2002)

China's State Council issued a statute on the copyright protection of computer software products on December 28. The 33-article statute will go into effect on January 1, 2002, to replace the existing version, which was promulgated in 1991.

The new rules are intended to protect rights of computer software developers, specify interests and liabilities regarding computer software development, circulation and application, and accelerate the development of the software industry.

The copyright of software comes into effect when the development work is finished. An individual software developer may keep his copyright for life, and it will continue to be in his name for 50 years after his death. Software developed by institutional software developers will be protected for 50 years. New rules also spell out liabilities for software copyright violation.

6. China's piracy problems haven't improved – US official

(from *Dow Jones International*, 23 January 2002

Reuters News Service, 23 January 2002

All Wall Street Journal, 24 January 2002

The Straits Times Newspaper, Asia News Section, Singapore, 24 January 2002)

China hasn't made significant progress in tackling widespread piracy of intellectual property and brand-name goods, despite improvements promised as part of its accession to the WTO, a US trade official said.

He said some US companies are concerned that continued high levels of piracy will make it difficult for them to continue to operate in China.

7. China cracks down on Video, Audio disc piracy

(from *BBC Monitoring Asia Pacific-Political*, 24 January 2002)

The Shenzhen authorities in this south China booming economize zone have uncovered two underground pirate disc wholesale and retail dealers, nabbed two suspects and seized 15,000 illicit discs. Altogether, the city seized 21.48m illegal or pirated discs and captured 79 suspects during this period.

8. Guangdong police raid pirate CD workshop
(from *BBC Monitoring Asia Pacific-Political*, 27 January 2002)

Police in south China's Guangdong Province have closed down a large illegal factory producing pirated CDs, and confiscated nearly one million pirated CDs. This case is the largest of its kind solved by the police in Maomin City, in the southwestern part of the province.

The CDs, production and packing equipment have been confiscated, and several suspects are being held in custody for further investigation.

9. China leads world in trademark application
(from *Xinhua's China Economic Information Service*, 28 January 2002
Hong Kong Imail, 29 January 2002)

China handled 270,000 entries of trademark registration in 2001, ranking first in the world. China had received 1.45 million effective trademark applications by the end of last year, equivalent to that in Japan and the United States Ma Lianyuan, vice-commissioner of the SIPO.

China ferreted out 38,000 cases of infringement of intellectual property rights, revoked 230 million illegal trademarks and confiscated 145 million yuan of illegal gains in 2001.

10. Recent changes to intellectual property laws
(from *Economist Intelligence Unit*, 30 January 2002)

China recently amended its two major intellectual property laws: the Copyright Law and Trademark Law, effective from October 27 2001 and December 1 2001, respectively.

The revised Copyright Law provides explicit recognition for the protection of rental rights in respect of cinematographic works and software (except where the software is not the essential object of the rental), the right of performance of works (including films) in the public domain, and the right to distribute works through the Internet.

The amended Trademark Law creates the option of judicial review by Chinese courts of cases relating to registration, including trademark applications, oppositions and cancellations. It also contains provisions setting out factors for the determination of the chiding (well-known) status of trademarks.

HONG KONG

News in January 2002

1. Factory trio deny helping to produce millions of pirated CDs
(from *South China Morning Post*, 3 January 2002)

Three men went on trial accused of being members of a pirated-goods syndicate said to have made million of video and music CDs and computer software items seized from four factories in Fanling. They ran an operation involving 36 production lines designated for pirated discs, the Court of First Instance heard. The trial is still continuing.

2. Hong Kong customs arrests man for copyright infringement
(from *Channel News Asia*, 8 January 2002
South China Morning Post, 8 January 2002)

Hong Kong customs authorities have uncovered the largest corporate piracy case since the territory's copyright ordinance came into operation last year. Customs officers raided a company in the Tsim Sha Tsui area and seized 22 computers installed with pirated computer software, valued at HK\$110,000.

Under the new copyright ordinance introduced in April last year, the maximum penalty for the offence is US\$50,000 per illegal copyright infringement and four years' imprisonment.

MALAYSIA

News in January 2002

1. Pirated VCDs seized at Cheras shopping center

(from Bernama Daily Malaysian News, 9 January 2002)

Domestic Trade and Consumer Affairs officers seized 13,160 pirated VCDs and 400 DVDs worth a total of RM73,000 during a raid at a store in at the Megan Phoenix Centre in Cheras.

Mohd Shahar Osman, director of the ministry's Federal Territory enforcement division, said the surprise raid was carried out by five officers accompanied by officials of the RIM Corp Sdn Bhd, who represent the sound recording copyright owners.

2. Some VCD makers may be in Cahoots

(from New Straits Times Newspaper, Malaysia, 10 January 2002)

The Domestic Trade and Consumer Affairs Ministry believes that some of the 41 companies which have the approval to manufacture genuine VCDs are also involved in the pirating scam. Minister Tan Sri Muhyiddin Yassin said the companies are believed to be erasing the Source Identification Code (SID) in VCDs which enables the Ministry to trace the source of the pirated ones.

Saying that this is one method to outwit enforcement, he said these companies were conspiring with SID-erasing syndicates. He said enforcement officers through raids and study conducted, discovered that most of the VCDs confiscated had the SID deleted.

3. Allocating time for piracy cases

(from New Straits Times Newspaper, Malaysia, 14 January 2002)

The courts will be asked to allocate time for VCD piracy cases so that they could be expedited. Minister in the Prime Minister's Department Datuk Seri Dr Rais Yatim said the Legal division in the PM's Department would work with the Domestic Trade and Consumer Affairs Ministry secretary-general on the matter.

He said the judicial system must move quickly to settle cases involving peddlers of pirated VCDs. Rais was responding to a statement by the Domestic Trade and Consumer Affairs Ministry seeking his help to expedite 50 court cases involving pirated VCD peddlers.

4. Enforcement officers to be stationed round the clock-tight checks on VCD factories

(from New Straits Times Newspaper, Malaysia, 17 January 2002)

The Sun Newspaper, Malaysia, 17 January 2002)

Domestic Trade and Consumer Affairs enforcement officers will soon be placed in factories in a move to stop the escalating number of illegal open-air audio and visual CD and VCD sellers.

Its minister, Tan Sri Muhyiddin Yassin, announced that the ministry is seriously considering the idea of stationing at least three enforcement officers round-the-clock at every licensed manufacturing outlet.

THE PHILIPPINES

News in January 2002

1. Manila police nab Malaysians, Bangladeshis in VCD piracy raid

(from Kyodo News, 13 January 2002

Dow Jones Commodities Service, 13 January 2002)

Six Malaysians and two Bangladeshi nationals have been arrested along with seven Filipinos in a raid on a warehouse where bootleg VCDs were being manufactured, Philippine police said.

He said they also confiscated 12,800 pirated VCDs during the raid the warehouse of the firm Dragon Technology Philippines in southern Metro Manila by a special police team and a member of the government's Videogram Regulatory Board. They said charges of illegal reproduction of cinematographic arts will be filed against the 15 people arrested.

2. Senate urged to ratify pacts updating Internet copyright enforcement

(from Business World, Philippines, 23 January 2002)

The Intellectual Property Office (IPO) is urging the Senate to ratify two Internet treaties seeking to update and improve copyright enforcement in the country in the face of challenges posed by the digital revolution.

In a position paper, the IPO named the two treaties as the WIPO Copyright Treaty, or WCT, and the WIPO Performances and Phonograms Treaty, or WPPT. The IPO said that adoption of the two treaties as part of the laws of the Philippines is significant especially in light of the information and communication technology agenda of the government.

3. Supreme Court issues new rules on prosecuting copyright pirates

(from Business World, Philippines, 28 January 2002)

The Supreme Court has approved a new set of rules that will facilitate the prosecution of copyright pirates and infringers, boosting the government's efforts to have the Philippines removed from the international watch list intellectual property rights violators.

The new rules allow owners of patented and copyrighted products to apply for a writ before the courts that could result in the seizure of fake articles and, consequently, the filing of infringement cases.

The new rules will take effect on February 15. The court rules came more than four years after Republic Act No. 8293, or the Intellectual Property Code of the Philippines, took effect.

4. US Stresses need for Philippines to fight IP pirates

(from Kyodo News, 29 January 2002

Reuters News Service, 29 January 2002

Business World, Philippines, 30 January 2002)

A ranking official of the US Department of Commerce said infringements on intellectual property rights in the Philippines are costing \$200 million a year in losses to the US economy and remain a serious concern among US officials and investors.

The United States is not satisfied with what the Philippines has been doing so far to address the problem of piracy. The US government is asking administration of Philippine President Gloria Arroyo to address the problem through greater enforcement and greater transparency, warning that pirates not only steal from artists and patent owners but also pick the pocket of the government by evading taxes.

VIETNAM

News in January 2002

1. Industrial property conference to be held in Vietnam

(from Vietnam News Brief Service, 16 January 2002)

ASEAN members will have the opportunity to exchange experiences in management of industrial property at a conference to be held by the Japanese International Cooperation Agency (JICA) and the Vietnam Industrial Property Department this month. The conference will introduce Japan's project on IP management in Vietnam, Thailand and the Philippines, and its experiences in the field.

2. Farmers voice concern over losing names in overseas markets

(from Saigon Times Daily, 23 January 2002)

At a meeting between Agriculture and Rural Development Minister Le Huy Ngo and farm owners in HCMC, participants voice their concerns about the fact that local typical agro-products will gradually lose their names in overseas markets. Local farm produce finds it difficult to compete with imports even in the local market.

Few of Vietnam's agro-products have a trademark, but not plans to set up trademarks have been mapped out so far. The participants said a trademark was beyond their capability and presented to Ngo suggestion that import tariffs on farming equipment be lowered and their land-use rights be accepted as mortgage for banking loans.
