

## Monthly Report of April 2003

- By Country:

THAILAND  
PRC  
HONG KONG  
MALAYSIA  
SINGAPORE  
THE PHILIPPINES  
INDONESIA  
VIETNAM

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### THAILAND

#### News in April 2003

1. Piracy cut a boon to economy
2. Row looming over two popular species
3. Crackdown on pirated music
4. Microsoft wins court battle
5. Officials vow to clean up piracy
6. Thailand to join the Paris Convention to lower the cost of IPR
7. Reduce the Patent cost
8. More funds for software developers

1. Piracy cut a boon to economy

*(from Bangkok Post Newspaper, Business Section, Page 1, Thailand, 4 April 2003*

*Post Today, Business Section, Page B3, Thailand, 4 April 2003*

*Krung Thep Thurakit Newspaper, IT Internet Section, Page 6, Thailand, 4&8 April 2003)*

A 10-percentage-point cut in software piracy in Thailand over four years will add approximately \$1 billion to the Thai economy and create 3,500 jobs for high-tech workers, according to a study commissioned by the Business Software Alliance (BSA).

The study found that the reduction of the current 77% piracy rate by 10 points per year, would help the Thai information technology (IT) sector expand to nearly \$3 billion from \$1.8 billion. The sector currently contributes 1.5% to Thai gross domestic product.

The Thai government could also add a total of \$40 million to its tax coffers and the local industry's revenue could rise by \$625 million. The study was based on market information acquired by IDC and piracy rates assessed by the BSA, while only direct economic benefits to the spending of the government and private sectors were calculated.

2. Row looming over two popular species

*(from Post Today Newspaper, Prime News Section, Page A1, Thailand, 5 April 2003*

*Bangkok Post Newspaper, Home News Section, Page 4, Thailand, 8 April 2003*

*Het Financieele Dagblad, 9 April 2003)*

Manoon Jiamjarasrangsee, a member of the committee overseeing the plant varieties protection act, said a Dutch firm, Las Palmas Innovatives, had already applied to have the two decorative plants – *poi sian* or *Euphobia splendens* typical, and *yok*, or *Euphobia lacteal* – patented. The *Euphobia splendens* typical is one of Thailand's six *poi sian* species.

If the firm is allowed to have its way, every time Thailand exports *poi sian* and *yok* the country would have to pay the company a commission.

### 3. Crackdown on pirated music

*(from Krung Thep Thurakit Newspaper, Business & Market Section, Page 31, Thailand, 9 April 2003*

*The Nation Newspaper, Business Section, Page 4B, Thailand, 11 April 2003*

*Krung Thep Thurakit Newspaper, Page 9, Thailand, 11 April 2003*

*Thai News Service, 14 April 2003*

*Bangkok Post Newspaper, Database Section, Page 1, Thailand, 16 April 2003)*

A major crackdown on pirated products will begin on May 1, Deputy Commerce Minister Wattana Muangsuk said. The move comes in response to a request by the Entertainment Business Owners Association who asked the Commerce Ministry to set up a tripartite committee to crack down on music and film copyright violations and ensure that copied products disappear within seven days of their discovery.

RS Promotion and GMM Grammy which together control some 90 per cent of the recorded music market – will also launch a campaign to reduce the retail price of cassette tapes and CDs in order to put pressure on the pirates.

The firms are members of the association. The association also proposed that the tripartite committee should have representatives from tape and CD manufacturers and owners of music and movie companies, as well as shopping centers.

The association added that the panel should have the authority to check on shopping centers and factories to prevent copying and excessive production when large numbers of products were ordered.

### 4. Microsoft wins court battle

*(from The Nation Newspaper, Business Section, Page 3B, Thailand, 18 March 2003*

*Post Today Newspaper, Business & Marketing Section, Page B4, Thailand, 18 April 2003*

*Krung Thep Thurakit Newspaper, IT Internet Section, Page 6, Thailand, 18 April 2003)*

The Supreme Court has upheld an earlier ruling made by the Intellectual Property and International Trade Court in Microsoft's favour. The Supreme Court dismissed an appeal brought by Bangkok-based computer dealer Niyomthai Hitech, which Microsoft sued for copyright infringement in August 2000.

The Court agreed with the IP and IT Court's November 2001 decision that the defendant had breached Microsoft's copyright by selling a PC "hard-loaded" with illegal copies of the company's software. The defendant was fined a total of BT240,000 and received a two-year suspended jail sentence.

## 5. Officials vow to clean up piracy

*(from Bangkok Post Newspaper, Business Section, Page 1, Thailand, 19 April 2003*

*Krung Thep Thurakit Newspaper, Economic Section, Page 3, Thailand, 19 April 2003)*

Officials say the government's expanding war on entertainment piracy will be carried out as seriously as the war on drugs. Commanders from 103 police stations will meet with IPR authorities later this month to draw up an effective plan to suppress illicit operations, due to start in earnest on May 1.

Deputy Commerce Minister Wattana Muangsuk vowed that the clean-up operation would be successfully in three months and warned that CD counterfeiters would be severely dealt with starting on May 1.

One measure requires CD stamping machinery owners to register their equipment by April 23 to keep tabs on the number of machines in Thailand and overall production capacity. Currently, there are 44 CD stamping machines throughout the country.

## 6. Thailand to join the Paris Convention to lower the cost of IPR

*(from The Nation Newspaper, Business Section, Page 2B, Thailand, 19 April 2003*

*Krung Thep Thurakit Newspaper, IT Section, Page 5, Thailand, 19 April 2003*

*Post Today Newspaper, Business & Market Section, Page B1, Thailand, 19 April 2003*

*Thai News Service, 22 April 2003)*

Thailand to join the Paris Convention to lower the cost of intellectual property rights registration of Thai exports. The cabinet will be asked next month to allow the country to enter the Paris Convention and the Patent Cooperation Treaty in order to facilitate easier and cheaper registration of Thai inventions abroad.

Director General of the Intellectual Property Department Yanyong Phuangraj said that signing the agreements would ensure Thai inventors that their products would be marketed worldwide without rights violations.

According to Mr Yanyong, the Paris Convention concentrates on industrial rights protection while the other treaty involves patent cooperation. To become a member of both pacts, Thailand must name the countries where it wants exports to be protected. Copyright owners will also enjoy individual patent registration covering as many countries as they want at a lower cost.

Non-member countries usually have to register copyright in every country where their products are exported, causing higher travel expenses for inventors.

## 7. Reduce the Patent cost

*(from Post Today Newspaper, Business & Market Section, Page B1, Thailand, 21 April 2003)*

Since received the complain from many applicants, Intellectual Property Department is deciding to reduce the Patent Application fee to persuade the SMEs and One Tambon One Product (OTOP), to register more. As from the present, the patent fee costs 3,500Bt each and also 380,000Bt for the term of the patent right (20 years)

Mr Yanyong Puangraj, director-general of IPD, agreed with the protest. However, if Intellectual Property Department reduces the cost fee, it would be for both Thais and foreigners. So IPD would use the size of the industry for the standard.

#### 8. More funds for software developers

*(from The Nation Newspaper, Business Section, Page 1B&4B, Thailand, 25 April 2003*

*Post Today Newspaper, Today's News Section, Page A2, Thailand, 25 April 2003*

*Krung Thep Thurakit Newspaper, Economic & Finance Section, Page 26, Thailand, 25 April 2003*

*Bangkok Post Newspaper, Database Section, Page 1, Thailand, 30 April 2003)*

The SME Development Bank of Thailand and the Small Industry Credit Guarantee Corporation said that they would fund new projects and support software houses in line with the government's policy for software markers to "convert their software products into collateral for bank loans".

Dr Samran Bhuanatanondh, president of the SME Development Bank of Thailand, said that under bank regulations, loans to software houses would be 30 per cent of the software's value after assessment.

Mathee Olarnsaku, managing director of software house ISONET and a senior member of the Association of Thai Software Industry, said that the association is also set to create a project screening body to help banks decide which software projects are commercially viable and should be given loans.

"This will help the software firms get funding from the banks. If the banks do it alone, they may take time as they don't have specialist who understand the value of software projects," he added.

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## PEOPLE'S REPUBLIC OF CHINA

### News in April 2003

1. China makes efforts to protect Olympic symbols
2. Beijing intellectual property summit called off by SARS fear
3. 3 firms sue state Web site in piracy court case
4. Beijing courts handling growing number of IPR cases
5. Japan asks China to speed up patent approval
6. Patent protection to be strengthened
7. China reports marked increase in patent applications
8. Enterprises in East China vow to fight piracy
9. Protecting secrets
10. Top brands targeted in cartridge racket
11. Guangdong leads nation in number of patents, trademarks

#### 1. China makes efforts to protect Olympic symbols

*(from Xinhua News Agency Bulletin, 1 April 2003)*

China has stepped up efforts to protect the intellectual property rights of the Olympic symbols and slogans in the past year. Xu Yulin, deputy director of the Office of Legislative under the State

Council urged relative authorities to continue to punish those who illegally produce goods bearing Olympic symbols.

Over 130,000 goods with unauthorized Olympic symbols were confiscated by the Beijing Municipal Bureau of Industry and Commerce last April. Some 112 advertising boards illegally using the slogan created for Beijing's 2008 Olympic bid, "New Beijing, Great Olympics", were ordered to be changed.

2. Beijing intellectual property summit called off by SARS fear

*(from BBC Monitoring Asia Pacific-Political, 3 April 2003*

*Xinhua News Agency Bulletin, 3&15 April 2003*

*Kyodo News, 10 April 2003)*

Organisers of the first world intellectual property summit decided to call off the gathering slated to open in Beijing April 24 out of concern for the severe acute respiratory syndrome (SARS) and no date has been set on when to reconvene the meeting. The decision to call off the WIPO summit in Beijing came a day after a Chinese doctor at a prestigious military hospital in Beijing accused Chinese authorities of covering the extent of the disease in the Chinese capital to avoid public panic.

3. 3 firms sue state Web site in piracy court case

*(from South China Morning Post, 15 April 2003)*

Three major music companies are suing a state-owned Web site for violation of copyright in what is seen as a landmark intellectual property rights case. Warner Music, Universal Music and the Go East record label have asked a Chengdu court to order the Tyfo.com Web site to pay them a combined total of 3.2 million yuan in damages, according to the plaintiff's lawyer, Xiao Dazhong, from the Penwell law firm.

4. Beijing courts handling growing number of IPR cases

*(from Xinhua News Agency Bulletin, 17 April 2003*

*China Daily, 18 April 2003*

*China Business Information Network, 18 April 2003)*

Courts of various levels in Beijing are handling a growing number of intellectual property rights cases. Wang Zhenqing, vice president of the Beijing Municipal Higher People's Court, said Beijing's courts handled 978 IPR cases in 2002, an increase of 28 per cent over 2001 and 2.5 times that of 1998.

Some of the cases involve big-name foreign companies, including US-based DuPont, Motorola, Intel, Japan-based Mitsubishi and LG of the Republic of Korea

5. Japan asks China to speed up patent approval

*(from JIJI Press News Service, 21 April 2003)*

Japan asked China to speed up its procedure for screening patent applications, especially those related to DVDs and digital cameras. Japan also asked China to take firmer action against piracy, and to file criminal charges against those who make and market illegally copied products, according to sources with access to the meeting.

The Chinese side expressed concern that Japan's new guideline on preventing technology "leakage" implemented in February, may lead to a reduction in Japanese investment in China, especially in the fields of information technology and biotechnology. Japan explained that the guidelines are designed to better protect Japanese companies' intellectual property rights, and will not affect Japanese investment in China, the sources said.

6. Patent protection to be strengthened  
(from *China Daily*, 23 April 2003)

Patent protection will be strengthened this year to spur the development of cutting-edge technology in China, the State Intellectual Property Office (SIPO) said. The focus will be on increasing the amount of technological innovation through better protection for scientists, said Tian Lipu, Vice-commissioner with SIPO.

SIPO has also launched patent protection programs in large firms in 20 provinces, municipalities and autonomous regions.

7. China reports marked increase in patent applications  
(from *Xinhua News Agency Bulletin*, 25 April 2003  
*Xinhua's China Economic Information Service*, 28 April 2003)

China has received more than 1.6 million patent applications from home and overseas since 1985, with the annual increase rate exceeding 20 per cent, said latest statistics from the SIPO. The number of such applications registered in the first quarter this year was 38 per cent more than the same period of last year. Statistics show that by the end of last year, 116 countries had applied to China for patents.

8. Enterprises in East China vow to fight piracy  
(from *Xinhua News Agency Bulletin*, 26 April 2003)

More than one hundred enterprises in Zhejiang Province's publishing, printing, book circulation and software production sectors issued a joint statement to promote protection of intellectual property rights. The statement said these enterprises would take strict measures to fight piracy and help consumers to identify pirated products. These enterprises also said price cuts would help promote the market of non-pirated products.

9. Protecting secrets  
(from *Shanghai Daily*, 26 April 2003)

As the third International Intellectual Property Rights Day falls, local law experts and lawyers recently held a symposium on the protection of commercial secrets. How to protect commercial secrets during a court hearing and the respective responsibility of the plaintiff and defendant for providing effective evidence on the secrets are all hot topic these days. Experts are calling for the legislation of commercial secrets in China.

10. Top brands targeted in cartridge racket  
(from *China Daily*, 29 April 2003)

The public security authority of South China's Guangdong Province recently cracked down on the sale of faked Epson, HP and Cannon ink cartridges, worth 80 million yuan (US\$9.7 million). Related government sources hailed the move a major achievement in the province's fight to protect intellectual property rights and improve the local investment environment. The case is the province's biggest to date involving the sale of faked parts for international-brand printing machines.

11. Guangdong leads nation in number of patents, trademarks  
(from Xinhua News Agency Bulletin, 29 April 2003)

Guangdong Province, one of China's economic powerhouses, leads the country in terms of the number of patented technologies and registered trademarks. Tang Shanxin, deputy head of the Guangdong Provincial Intellectual Property Bureau, said that last year, the province received 34,339 applications for patents and granted 22,760, up 24.4 per cent and 25 per cent, respectively, from 2001, and topping the figures of all other provinces.

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## HONG KONG

### News in April 2003

Hong Kong's new Trade Marks ordinance comes into force  
(from Xinhua News Agency Bulletin, 3 April 2003  
*South China Morning Post*, 7 April 2003  
*Mondaq Business Briefing*, 9 April 2003)

The government of the Hong Kong Special Administrative Region announced that the new Trade Marks Ordinance would come into force Thursday upon the conclusion of the legislative process. Stephen Selby, director of intellectual property, said the new ordinance would replace the existing Trade Marks Ordinance which was enacted in the 1950s.

"The new law will help Hong Kong's transition into a knowledge-based economy, broaden its business horizon and enhance its competitive edge in a globalized economy," said Selby. "The law's commencement marks an important step in fully aligning Hong Kong's intellectual property system with international standards."

The new Trade Marks Ordinance will simplify the registration procedure of trade marks, substantially reduce costs for trade marks registration, increase the range of signs that can be registered as marks to allow sound and smell marks to be registered.

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## MALAYSIA

### News in April 2003

1. IT industry can double in size with reduced piracy
2. Malaysia to patent biodiversity products

1. IT industry can double in size with reduced piracy  
(from *Bernama Daily Malaysian News*, 4 April 2003)

Malaysia's information technology (IT) sector could double in size to RM16.7 billion by 2006 if software piracy rates were reduced 10 percentage points, a global research study showed. "In fact Malaysia stands to realize one of the largest benefits in the region from such a reduction in the form of new high-tech, high-wage jobs and new business," BSA said.

Meanwhile, director-general of the Intellectual Property Cooperation of Malaysia, Ismail Jusoh, said that the finding of the groundbreaking study certainly showed that the Malaysian government is on the right track in taking a strong stand against software piracy.

2. Malaysia to patent biodiversity products  
(from *Bernama Daily Malaysian News*, 4 April 2003)

Malaysia will take immediate action to patent biodiversity resources and products in the country, Acting Prime Minister Datuk Seri Abdullah Ahmad Badawi said. He said a working paper to patent the country's biodiversity resources would be prepared by the Domestic Trade and Consumer Affairs Ministry soon. The working paper would be discussed and fine-tuned at the next meeting of the council, he told.

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## SINGAPORE

### News in April 2003

1. Intel and Via settle patent infringement disputes
2. Global patent search service launched in Singapore

1. Intel and Via settle patent infringement disputes  
(from *CMPNETASIA.COM*, 8 April 2003)

Intel and Via Technologies announced that they have reached a settlement in their long-running patent lawsuits related to chipsets and microprocessors. The agreement encompasses 11 pending cases in five countries involving 27 patents. Under terms of the settlement both companies will dismiss all pending legal claims in all jurisdictions. The companies also entered into a ten-year patent cross license agreement covering each company's products.

2. Global patent search service launched in Singapore  
(from *Business Times, Singapore*, 17 April 2003)

The Rhom IP Group has launched a worldwide patent search service from Singapore. It will offer a global patent database, a set of analytical software tools, and validation technology.

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## THE PHILIPPINES

### News in April 2003

NBI agents seize 74 computers with pirated games  
(from Manila Bulletin, 9 April 2003)

National Bureau of Investigation (NBI) confiscated 74 personal computers loaded with illegal games during simultaneous raids conducted in a shopping mall in Quezon City. The NBI said charges will be filed against the owners of the two shops for violation of Republic Act 8293, or Intellectual Property Code.

The raids came after Asian Media Development Group (AMDG), exclusive distributor of the branded PC games, filed a complaint with the NBI against various network gaming centers (NGCs) operating in Metro Manila and using pirated personal computer games.

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## INDONESIA

### News in April 2003

Software piracy expected to decline by 30%  
(from Bisnis Indonesia, 14 April 2003)

Indonesia will get the pressure from the expected 30% decline in pirating of software by the end of this year as Apkomindo and Microsoft have agreed to give a special price for legal software. The special price is said of 10% lower than currently.

The price of Microsoft software in Indonesia has actually been the cheapest compared to other countries but Apkomindo will continue to lower the price as an effort to legalize assembled PC following implementation of the ruling in July this year.

Meanwhile, chairman of the Indonesia Software Association Teddy Sukardi express confidence that if Apkomindo and Microsoft could offer better price for legal software, local software company would enjoy the benefit.

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## VIETNAM

### News in April 2003

1. First Vietnamese author registers for copyright protection
2. 18,000 pirated video cassettes, VCDs, CDs confiscated in HCMC
3. Vietnam launches nationwide contest on intellect and copyright

1. First Vietnamese author registers for copyright protection  
(from Vietnam News Brief Service, 10 April 2003)

Poet Nguyen Minh Nguyen has become the first Vietnamese writer to register for copyright protection of his work, indicating a clearer understanding of copyright issues among artists in the country.

Nguyen, who is also a journalist in Hanoi, registered for copyright protection of three collections of his poems that were published between 1998 and 2002.

2. 18,000 pirated video cassettes, VCDs, CDs confiscated in HCMC  
(from *Saigon Times Daily*, 7 April 2003)

HCMC market monitoring forces confiscated more than 18,000 pirated VCDs, CDs and video cassettes in March. The trading and production of pirated VCDs, CDs and video cassettes has not dropped despite tough measures taken by the authorities, Nguoi Lao Dong quotes the city market monitoring department.

3. Vietnam launches nationwide contest on intellect and copyright  
(from *Organisation of Asia-Pacific News Agency*, 25 April 2003  
*Vietnam News Brief Service*, 28 April 2003)

The Ministry of Culture and Information has launched a nationwide contest entitled “Vietnam’s Intellect and Copyright”. The contest was announced by the ministry. The contest aims to improve the awareness and comprehension of pupils and students on literature, art and scientific creation, and to encourage them to learn Vietnamese and international regulations on copyright.

Competitor will write essays, showing their comprehension of Vietnam’s intellect in the past, at present or in the future, and also their attitude to copyright protection. The organizing board will present eleven prizes with the first prize worth 3 million VND.

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