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THAILAND

1. Bid to tackle software piracy

(from The Nation Newspaper, Business Section, Page 4B, Thailand, 5 April 2007)

The Business Software Alliance (BSA) announced that Thai Software Enterprise would join the fight against software piracy. Thai software Enterprise, founded in 1998, employs 32 software developers and support staff.

Managing director Somporn Maneeratanakul said that joining the BSA would enable the company to work closely with other technology companies to protect intellectual property rights.

Tarun Sawney, the BSA’s anti-piracy director, said the company looked forward to working with Thai Software Enterprise on policy, education and enforcement.

2. Tsuburaya Production wins Ultraman case

*(from Bangkok Post Newspaper, Business Section, Page B10, Thailand, 5 April 2007
The Nation Newspaper, Thailand, 6 April 2007)*

The Intellectual Property Court has ruled in favour of Japan's Tsuburaya Production by ordering Sompote Saengduenchai and his two companies, Tsuburaya Chaiyo and Chaiyo Productions, to stop making a commercial profit from new Ultraman characters.

The three defendants have also been ordered to pay a fine of Bt15 million, plus interest and attorneys' fees.

Sompote Thianthong, managing director of Pro-Link, a public-relations and business-promotion firm hired by Japan's Tsuburaya Production, which owns the Ultraman characters, and Manu Rakwattanakul, an attorney with Baker and McKenzie, told a press conference that Monday's court ruling meant Sompote and his companies could no longer claim the copyright for new Ultraman characters.

Sompote's companies created new characters based on the original Ultraman models, including Ultraman Millennium, Dark Ultraman and Ultraman Elite, to profit from such events as films and light and sound exhibitions.

The Japanese licence-holder launched the lawsuit in 2004 asking the Intellectual Property Court to order Sompote to stop making a profit from new Ultraman characters. The Ultraman products were in the form of VCDs, stickers, children's clothes and action figures.

Sompote and Manu, however, noted that Sompote might appeal the case. Meanwhile, those who bought licences from Sompote would also have to stop making a profit from the new Ultraman characters.

The Japanese side had filed an earlier case against Sompote in 1997, accusing him of faking an authorization agreement allowing him to profit from the Ultraman characters. Tsuburaya Production lost the case in 2000. That case is now under appeal.

Tsuburaya Production, however, launched another lawsuit in 2004 accusing Sompote of violating a 1976 agreement limiting Sompote's copyright to only nine movies made by Sompote in the 1970s, such as "Ultraman and Hanuman".

Sompote later created new Ultraman characters. The Intellectual Property Court earlier this week ruled in favour of the Japanese side, saying the copyright on the nine movies from the 1970s did not include any characters and was separate from the copyright for the use of Ultraman characters.

Ultraman is an action hero based on a popular Japanese television series created in the 1970s.

The court also ruled the three defendants - Sompote, Tsuburaya Chaiyo and Chaiyo Production - were jointly liable for payment of Bt15 million to Tsuburaya Production, plus interest at the rate of 7.5 per cent per annum from the date of the filing of the lawsuit until payment is made in full.

The court also ruled the three defendants were jointly liable for payment of court fees to Tsuburaya Production, plus Bt80,000 in attorneys' fees.

3. NATDA urges Thai researcher to request for invention patent

(from Thai News Service, 6 April 2007)

The National Science and Technology Development Agency (NSTDA) encourages Thai researchers to request intellectual property protection for their invention. The Technology Licensing Office (TLO) holds an event called the Inventor's Day 2007 to grant awards to researchers who call for invention patent.

Assoc.Prof.Sakrin Bhumirat presides over the opening ceremony of the Inventor's Day 2007 at the Thailand Science Park. The event has been arranged for the second year. There are presentations of awards and trophies to 37 Thai researchers who have requested for an invention patent and 10 researchers who already received one.

The organizing committee of the Inventor's Day 2007 expects that the event would stimulate Thai researchers to make inventions which can be used commercially and persuades them to have their inventions legally protected. Researchers who ask for an invention patent from the Department of Intellectual Property or other relevant agencies abroad will receive 5,000 baht per each request from NSTDA. As for those who already have a patent, they will receive 30,000 baht per each a patent.

According to NSTDA, there are 260 requests by Thai researchers for invention patent from Thai intellectual property agencies while 33 requests have been made to foreign agencies. NSTDA says the number of the requests has a tendency to increase every year.

4. Ruling may halt Ultraman TV series

(from The Nation Newspaper, Business Section, Page 1B, Thailand, 9 April 2007)

The Intellectual Property Court's ruling on April 2 may abruptly suspend the highly anticipated Ultraman TV series, which is a spin-off from the original Japanese action-hero character, because the new Ultraman characters are deemed to be a copyright infringement.

Chaiyo Productions, a local company which produced the big-budget TV series, may be forced to cancel the screening of the 52-episode Ultraman series, called "Project Ultraman", starring Hong Kong actor Ekin Cheng. Production of the series, costing Bt150 million, is complete, and it is scheduled to be aired on Channel 7 in the next few months.

Chaiyo Productions also expects the new Ultraman series to generate more than Bt600 million in revenue from advertising and sponsorship throughout the region. The company is also exploring other potential international markets. Hundreds of millions of baht more are expected to be generated from sub-licensing the Ultraman characters to manufacturers of toys and merchandise in many markets around the world.

The Thai IP Court ruled that Sompote Sangduenchai and his production house Chaiyo Productions could not claim the rights for Ultraman products except for nine Ultraman movies that Sompote co-produced many years ago. The ruling was made in response to a complaint made by Tsuburaya Productions, the Japanese license-holder of the Ultraman character.

Moreover, the court said that Sompote could not claim the copyrights of new Ultraman characters created by Tsuburaya Productions and could not distribute Ultraman Millennium, Dark Ultraman and Ultraman Elite created by Chaiyo. Sompote and his companies have one month in which to appeal the IP Court's ruling.

Apart from the TV series, Sompote and his companies have sold the rights for the new Ultraman characters to several companies which produce related merchandise.

RSi Dream Entertainment, the company's event-organising subsidiary, signed a contract with Chaiyo Productions for five-year exclusive marketing rights for its "Project Ultraman" 52-episode television series in Thailand and some neighbouring countries. "We have to cease all of our activities and wait

to see how Khun Sompote clears the issue with the Japanese license-holder," RSi Dream Entertainment managing director Boonperm Intanapasat said.

"Luckily, we haven't spent a big budget promoting the series," he added.

Rsi Dream Entertainment planned to generate between Bt60 million and Bt70 million from the Ultraman series, showbiz productions, sponsorships, home-video and marketing events in the first year.

A legal advisor to Apex Toys, a local toy-maker which has been awarded the right by Chaiyo Productions to manufacture and distribute toys and merchandise of the new Ultraman characters, said that the company had yet to receive any details from Chaiyo about their legal status.

"The dust has yet to settle," he said. "We need to wait for a final solution as the case is just at the Court of First Instance stage and may be passed on to Appeals and finally the Supreme Court."

5. Abbott shuns Aids drug talks

(from Bangkok Post Newspaper, Home News Section, Page 2, Thailand, 9 April 2007)

Abbott Ltd, patent holder of the HIV/Aids treatment Kaletra, has turned down an invitation by the Food and Drug Administration (FDA) for a meeting to discuss compensation for the drug listed for compulsory licensing.

The rejection of the invitation is being seen by many as the company's attempt to show its disapproval with Thailand's move to break the company's patent for the drug, allowing the state to produce or import cheaper, generic versions.

FDA secretary-general Siritwat Thiptaradol said Abbott confirmed that it would not join tomorrow's meeting, aimed at negotiating the drug price and the royalty fee. Dr Siritwat said Abbott had told the FDA that it found the offer unacceptable.

He said, however, that representatives of MSD and Sanofi-Aventis, patent-holders of Efavirenz and the heart drug Plavix, are expected to attend the meeting. The session will be the second round of meetings.

The first round, which was held late last month, ended inconclusively as the pharmaceutical firms told negotiators they had to discuss the matter with their parent companies. Previously, the FDA had informed the patent holders that the state was willing to compensate them with only 0.5% of the revenue generated from the generic drug sales. This was in keeping with Article 51 of the patent law, he said.

The Public Health Ministry issued compulsory licences in November and early January to produce or import generic versions of the costly drugs for emergency use in the country. However, Abbott bluntly rejected any offer, claiming such a state policy would only jeopardise its research and development plans for new drugs. The US-based drug company earlier opposed the government's decision to go for compulsory licensing and threatened to withhold the introduction of new drugs here, including an improved version of Kaletra.

In February, the drug company made an offer during a meeting with senior health officials at the Disease Control Department to cut the price of Kaletra used at state hospitals from 11,580 baht per patient per month to lower than 4,000 baht. There has been no further discussion on the offer.

``The state has to be responsible for all patients suffering from HIV/Aids and heart disease, while the private firms have to stick to the principle of profit making. Our standpoints are different. That's why

we have to discuss this to seek the most acceptable solution for both sides," said Dr Siriwat. Kaletra's global sales total US\$1.1 billion (41.8 billion baht) annually.

However, the FDA secretary-general said he was not worried about resolute standpoint and that health officials were looking for other options of pharmaceutical products made by the company. Representatives of both MSD and Sanofi have told the FDA all their decisions would come from discussions with their mother companies.

So far, MSD has offered to reduce the price of Efavirenz to 726 baht per bottle, but the government can buy the generic version of the anti-retroviral treatment from India at just 650 baht per bottle. Sanofi-Aventis, however, has offered a "special package" for the heart disease drug to respond to the government's policy of extending access to medicines, and a special quota of 3.4 million tablets of Plavix for 34,000 patients in Thailand.

Dr Siriwat said the government also planned to ask Novartis to reduce the price of Gleevec, a leukaemia treatment, instead of adopting a philanthropic programme in order to genuinely extend drug access for patients suffering from cancer.

6. Kingdom faces action on intellectual property rights

(from The Nation Newspaper, Business Section, Page 2B, Thailand, 9 April 2007)

With the Office of the US Trade Representative (USTR) about to revise Thailand's status on the list of intellectual property-rights violators, the Kingdom will write clarifying its commitment to the fight against piracy.

Puangrat Asavapisit, director-general of the Intellectual Property Department, said the letter would explain that Thailand realised the importance of intellectual property and would seriously deal with any violation.

The US has noted that Thai officials have failed to crack down on counterfeiting and smuggling of intellectual property, particularly related to drug-licensing and copyright violations. It says the private sector in the US lost about US\$308 million (Bt10.78 billion) in 2005 as a result of intellectual property-rights violations in Thailand.

The US has called on Thailand to respect data exclusivity, which requires Thailand to respect drug patents for at least five years and ask for a drug manufacturer's approval before imposing any compulsory licensing.

However, the department will state that Thailand insists on following World Trade Organisation commitments about compulsory licensing of drug patents registered in the country. Puangrat said the US comment went beyond the Agreement on Trade Related Aspects of Intellectual Property Rights.

Thailand will explain that it will not make any commitment that goes beyond the WTO agreement. She was optimistic that Thailand would remain on the USTR "watch list", despite comments about Thailand's violation of intellectual property.

If Thailand is put on the "priority watch list", it will face difficulties when the USTR considers the country's status in the US Generalised System of Preferences and in terms of trade-retaliation practices.

The USTR has categorised its 63 trading partners into four main groups, priority foreign country, priority watch list, watch list and monitoring list. Thailand has been on the Watch List as making limited progress in suppressing intellectual-property violation since 1994. The USTR will announce its revision of the grouping of the 63 countries, including Thailand, by the end of this month.

In its letter to the USTR, the department will also explain that the enforcement of intellectual-property laws has become more effective. The government will cooperate with police to stringently suppress any violation of intellectual-property rights such as patents on satellites and copyrights on optical media, books and trade marks, said Puangrat.

The department will also pass on the USTR comments to the Public Relations Department, the National Police and the Public Health Ministry in the hope of increasing the government's cooperation on intellectual-property rights enforcement.

7. Abbott agrees to lower price of Aids drug

(from Bangkok Post Newspaper, Home News Section, Page 2, Thailand, 11 April 2007)

US-based drug maker Abbott Laboratories has agreed to lower the price of its Aids drug Kaletra from 5,938 baht per patient per month to 3,488.20 baht.

Siriwat Tiptaradol, the Food and Drug Administration's (FDA) secretary-general, said the new price could make Kaletra cheaper than the generic version.

The firm's proposal to cut the drug price is seen as a means to end the dispute with the Public Health Ministry over the high price of Kaletra that led to the ministry's decision to break the drug patent earlier this year.

Speaking after yesterday's meeting with representatives from patent-holding companies, Mr Siriwat said Abbott insisted that it disagreed with the issuance of compulsory licenses, so it opted for a discount on the drug's price instead.

Aids Access Foundation's director Nimit Tienudom hailed the firm's discount proposal. "This is what the patients and health activists have been waiting for. This is apparently a consequence of the government's decision to break the drug patent," said Mr Nimit.

8. Abbott price cut only for old drug versions

(from The Nation Newspaper, Local News Section, Page 4A, Thailand, 12 April 2007)

A senior health official welcomed US drug maker Abbott's offer to sharply cut the price of a key Aids drug. But it was uncertain if the proposal would change the Health Ministry's plan to import copycat versions of pricey medicines, such as Abbott's anti-Aids drug Kaletra.

Even Abbott's offer drew a cautious welcome from activists. However, the firm said the new price would only apply to an older version of Kaletra currently sold in Thailand.

Brigitte Tenni, an activist from Thai Network of People Living with HIV/Aids, said Abbott should offer the latest version of Kaletra to Thai patients at affordable prices.

Food and Drug Administration (FDA) officer said Abbott did not discuss its ban on new drugs in Thailand. An official from Abbott could not be reached for comment. The Merck official declined to give details, adding no agreement was made during Tuesday's talks.

9. Intellectual Property Department to hold fair aimed at cracking down on illegal products

(from The Nation Newspaper, Business Section, Page 2B, Thailand, 16 April 2007)

The Intellectual Property Department will spend Bt8 million to hold a fair aimed at cracking down on illegal products and making people more aware of their rights. The event will take place at Bangkok's Queen Sirikit Convention Centre from July 20-22.

The department also plans to arrange similar fairs in other parts of the country, with a theme of patent awareness.

"Counterfeit goods are a major problem in Thailand. The fair will help to strengthen the public's awareness of rights protection," said director-general Puangrat Asavapisit.

The fair will include seminars on artists' patents and how to suppress violations. Private firms in the music and video industries will be co-organisers. The Motion Picture Association of America, Platinum, TECA, Microsoft, United, Two Dimensions, RS, GMM and True UBC will launch their own television commercial about counterfeiting.

The department will also spend Bt1 million to launch its own television campaign on the importance of protecting intellectual property.

Puangrat said the campaign was one of the key policies in the government's national, economic and social development plan. The department will not only clamp down on violations, but also urge people to stop supporting fake goods. The department and police frequently inspect all CD factories to eliminate copyright violations and the smuggling of machinery to produce counterfeit goods in the Kingdom.

As part of the crack-down on piracy, the government will keep a close watch on imported CD and DVD machines that could be used to manufacture illegal products, Puangrat said.

Copyright violations in Thailand come in two forms: cross-border smuggling and illegal manufacturing. Thailand's piracy problem is monitored by the United States. Authorities hope to reduce the number of illegal products so that the US will not put the Kingdom on its Priority Watch List.

10. Govt seeking new generic imports

(from Bangkok Post Newspaper, Home News Section, Page 3, Thailand, 19 April 2007)

Thailand wants to import a generic version of the anti-Aids drug Aluvia, in tablet form, from makers in India. The move comes after the patent holder, Abbott, withdrew its introduction of the medicine to the country after the government announced compulsory licensing.

The decision was made after the US-based company opposed the government's decision to go for compulsory licensing and threatened to withhold the introduction of new drugs in Thailand, including Aluvia which is an improved version of Kaletra.

It was possible that the government would receive cooperation from international organisations, including the Clinton Foundation, to help negotiate the price with the generic drug makers in order to ensure that the price of Aids drugs would be affordable for Thai people living with HIV/Aids, the source said.

The objective of the Clinton Foundation HIV/Aids Initiative (Chai) is to make treatment for HIV/Aids more affordable and to implement large-scale integrated care, treatment and prevention programmes.

11. Commerce set up National Trade Estimate

(from Post Today Newspaper, Business Market Section, Page B2, Thailand, 21 April 2007)

The Nation Newspaper, Business Section, Page 3B, Thailand, 30 April 2007)

The Commerce Ministry is planning the compilation of a National Trade Estimate containing outlooks for the Kingdom's trading partners, with a view to strengthening efficiency and informing those involved in trade negotiations.

The project aims to expand export opportunities in targeted markets as well serve as a reference in free trade talks.

Skol Harnsuthivarin, secretary to the commerce minister, said last week that the lack of trade data had resulted in lost opportunities and inferior bargaining power during trade negotiations with other countries.

Commerce Minister Krirk-krai Jirapaet has realized the importance of trade information and instructed officials to complete the country's first-ever National Trade Estimate (NTE) this year, he said.

The NTE will cover tariff rates, trade and safeguard measures, investment, services, market penetration strategies, trade barriers, export and import policies, and intellectual property rights protection measures for each trading partner.

The report will help the government to learn more about the advantages and disadvantages of each trading partner. It will also encourage the government to draw up commercial policy in advance in order to reduce trade deficits and barriers while supporting negotiators on any trade issues.

The trade estimate published by the United States will be used as the model for Thailand to develop its own version. The ministry will start with major trading partners this year – the US, Japan, European Union and South Korea – followed by other trading partners in the second year of the plan. The information will be updated annually.

12. US wants to talk with drug firms first

(from Bangkok Post Newspaper, Home News Section, Page 2, Thailand, 24 April 2007)

US ambassador Ralph Boyce has urged Thailand to negotiate with US pharmaceutical companies for a reduction in the price of patented drugs, rather than acquiring cheap generic versions through compulsory licensing.

Mr Boyce made the call during a one-hour meeting with Public Health Minister Dr Mongkol na Songkhla and other senior health officials.

The ministry has already resorted to compulsory licensing for the importation and production of generic versions of Aids-related medicines and a blood-thinning drug.

After the meeting, Mr Boyce suggested the parties concerned should talk and reach a common ground on reasonable prices for the drugs. While he realised that Thailand had the right to use compulsory licensing under an agreement with the World Trade Organisation (WTO), he would like an attempt at negotiating first.

Compulsory licensing may not be necessary if the prices of patented drugs were reduced through negotiations between the Thai government and the US drug companies, he said.

The ambassador said the US government had yet to make any decision concerning the listing of Thailand as a patent violator, saying the matter did not only involve compulsory licensing.

Dr Mongkol said the US ambassador understood Thailand's stance on compulsory licensing and wanted to see the interests of all parties protected. "The US is a law-abiding country," he added.

The minister was scheduled to begin a two-day visit to the US tomorrow to explain the need for compulsory licensing.

13. Thai firm joins global piracy fight

(from Bangkok Post Newspaper, Database Section, Page D3, Thailand, 25 April 2007)

Anti-piracy club the Business Software Alliance (BSA) has welcomed its first Thai member, Thai Software Enterprise, makers of the widely used (and widely pirated) Genius accounting package. Speaking at the announcement, BSA director for anti-piracy in Asia, Tarun Sawney, explained how the club's purpose was to help provide a secure digital world for intellectual property.

While most of the BSA's members are big name US software companies, there are some smaller regional members such as BEA from the UK, Tekla from Scandinavia, Andal from Indonesia and now Thai Software Enterprise.

With widespread piracy, the size of the Thai software market is simply not large enough to encourage development. Sawney noted that the Thai government, like many other governments, treats software piracy as a criminal offence, with a penalty of up to four years jail and/or an 800,000 baht fine.

In the first three months of 2007, raids have been continuing with 430 programs worth 8 million found in 18 companies. The BSA also cooperated with police in raiding an Internet software pirate, <http://www.gluajung.com> [<http://www.gluajung.com>]. In one year, he allegedly sold over 12 million baht in pirated software to customers from the US, Australia, Laos and Singapore, among other countries, before he was caught.

Somporn Maneeratanakul, managing director of Thai Software Enterprise, said that his company was a typical story of a start-up with lots of promise which has been pushed to the brink because of software piracy. "I set up my team back in 1983 and in 1998 we formally became known as Thai Software Enterprise. Our first product was an accounting package, Genius. We were one of the first companies to do mass market software in Thailand and later we ported the package to Windows," he explained.

Today, TSE offers educational software, a secure e-book reader, human resource management packages and an English-Thai dictionary. These were very popular as everyone was using them, though few were actually paying for them.

"We need money to invest and it's depressing when our investment is pirated very quickly. We needed to join the BSA to survive," he said.

Somporn said that today Thai companies are afraid to invest because of rampant piracy and that is not good for the industry. Without Thai companies investing, Thailand will not see versions for local needs or a particular business environment. It will also mean that the quality of mass produced Thai software lags behind the rest of the world.

14. US lobbyist lashes out at Thai policies

(from Bangkok Post Newspaper, Business Section, Page B1, Thailand, 25 April 2007)

Thailand's decision to hold firm on compulsory drug licensing could cost the country billions of dollars in lost investments and jeopardise its relationship with the United States, said a US-based lobbyist and former US diplomat.

Mr Adelman was on former US defence secretary Donald Rumsfeld's staff and served as deputy US representative to the United Nations in the early 1980s. In a telephone conference from Washington D.C., he said that Thailand's decision to proceed with compulsory licensing could cost the country billions of dollars.

As part of USA for Innovation's efforts to pressure the Thai government, the organisation has sent letters to US President George Bush and other senior cabinet members.

Mr Adelman said Thailand was incorrect in saying that compulsory licensing was necessary since the country was not facing an emergency.

The WTO's agreement on Trade-Related Aspects of Intellectual Property Rights (Trips) allows compulsory licensing in cases of national emergency, extreme urgency, or public non-commercial use. Thailand said that the compulsory licences are needed for public non-commercial use, not a national emergency.

However, Margaret Chan, the World Health Organisation director, wrote to the Thai government saying that its compulsory licences were "fully in line with the Trips agreement". The US directly or indirectly accounts for nearly a third of all Thai exports, according to Commerce Ministry data.

Intellectual property is among the key elements of the US economy, worth close to \$5 trillion. The US government has been pushing for stronger patent laws in Asia for years. The US' stance is highly controversial and has been condemned by NGOs, and some legal experts.

15. Generic drug maker offers cheaper Aluvia

(from Bangkok Post Newspaper, Home News Section, Page 4, Thailand, 25 April 2007)

A generic drug maker in India is offering Thailand a cheaper version of the Aids drug Aluvia after Abbott Laboratories, the patent holder, offered to sell the anti-retroviral drug at a reduced price.

Vichai Chokewiwat, chairman of the Public Health Ministry's panel on compulsory licencing, said a drug company in India was offering a price 15% below Abbott's new price for the patented version.

However, he said, he still expected better deals from both the original and generic producers. "Thailand is a drug buyer. We have to be smart and spend taxpayers' money on the best offer," he said.

Abbott has offered to cut the price of its life-saving Aids medicine to \$1,000 (32,500 baht) per patient per year. The price also matches the generic version sold in developing countries and the price of anti-Aids drug Kaletra, which the firm offered to the Thai government for 3,490 baht per patient per month.

Aluvia, a newer version of Kaletra, is one of several drugs for which Abbott has recently withdrawn applications for regulatory approval for use in Thailand.

The withdrawal was made in protest against the military-appointed government's decision to override the firm's Kaletra patent and allow the production and import of generic versions.

Dr Vichai welcomed Abbott's latest price offer on Aluvia, saying it was "the best deal ever". But any decision to accept or reject the offer would not be made until the existing stock of Kaletra was running out, he said.

Disease Control Department chief Thawat Sundarachan said the current stockpile should be enough to treat HIV positive Thais until the end of this year.

Meanwhile, the Pharmaceutical Research and Manufacturer's Association of Thailand yesterday called on the government for more dialogue about the country's generic drug programme.

"We need to work together in a spirit of joint endeavour if we are to succeed in helping Thai patients," the group said in a statement. "There is so much more that can be provided to patients by industry and government engaging in a dialogue that is focused on securing better health outcomes in Thailand."

The association represents 43 drug giants from Europe, Japan and the US.

16. US govt should elevate Thailand to Special 301 Priority Watch List
(from *Pharma Marketletter*, 24 April 2007)

USA For Innovation, a non-profit group focused on the protection of intellectual property rights, has released an open letter to US Secretary of State Condoleezza Rice, Commerce Secretary Carlos Gutierrez, Secretary of Health and Human Services Michael Leavitt and US Trade Representative Susan Schwab reminding them of the importance of IPR to the American economy and to encourage them to use this month's visit by Thailand's Minister of Health, Mongkol na Songkhla, to confront the recent threats by his country to seize patents owned by US companies (Marketletters passim).

Earlier this month and in anticipation of the Special 301 Report annually issued at the end of April, the USTR said that Thailand continues to suffer from "widespread commercial IPR counterfeiting and piracy."

The new Thai military regime, which assumed power by a coup last September, has now introduced direct government theft of American innovation into the quickly deteriorating USA-Thailand relationship through its taking of the patents of three drugs produced by American and European companies. These drugs, for HIV/AIDS and heart conditions cost billions of dollars to develop and market, says USA for Innovation.

In the open letter, the pressure group urges the US government to educate the new Thai regime on the consequences of its endorsement of dismantling IP protection when the Thai Minister visits Washington DC for high-level government meetings. In addition, the USTR should elevate Thailand to the Priority Watch List in its Special 301 Report to be released at the end of April, it said.

Ken Adelman, executive director of USA for Innovation and a former US Ambassador to the United Nations, said: "we encourage Thailand to reconsider the compulsory license of American products. Moving forward would represent a further weakening of the US-Thai partnership and raises the possibility of US retaliation against the Kingdom."

"This latest action is so disturbing because it comes from the Thai government," Mr Adelman said, adding: "the of American innovations by vendors on the streets of Bangkok is bad enough. Sanctioning, endorsing and promoting to other countries a movement to steal US assets in public health care systems around the world is something else entirely. "

A paper commissioned by USA For Innovation finds IP squarely at the heart of US economic growth. The Economic Value of Intellectual Property, by economists Robert Shapiro and Kevin Hassett, quantifies the value of US IP at \$5,000.0-\$5,500.0 billion, equivalent to about 45% of US Gross Domestic Product and greater than the GDP of any other nation in the world.

17. 11 arrested in raid against CD piracy
(from *The Nation Newspaper, Local News Section, Page 2A, Thailand, 26 April 2007*)

National police chief General Seripisut Temiyavej led a raid by officers against piracy and arrested 11 piracy suspects, seizing more than 140,000 counterfeit CDs in three locations in Nonthaburi's Bang Kruay district.

In Tambon Bang Kruay, another four suspects were apprehended and a printing machine and some 100,000 counterfeit CD covers were seized. The seized counterfeit CDs included music records and movies from Thai and foreign companies and a number of pornographic films.

Seripisut said the arrests - a crackdown on the biggest CD piracy network - were part of police policy to eradicate counterfeit CDs and pornographic media in Thailand. He gave importance to the issue following patent-breaching complaints filed by Thai artists and producers.

Police would extend the arrests to other network members, as none of those arrested had admitted to owning the three houses, saying they were just employees, he said. Producing and distributing counterfeit CDs is punishable by two years in jail and/or up to a Bt400,000 fine.

Deputy Prime Minister and Social Development and Human Security Minister Paiboon Wattanasiritham, who also joined the raids, said counterfeit CDs posed a serious social problem as they could damage the economy and hurt business operators, while pornographic media caused problems among youths. Later yesterday at a meeting on safe media, he urged city officials to join forces in curbing pornographic media at eight areas in Greater Bangkok including Pantip Plaza, Silom, Khlong Thom, Ban Mor, Sear Rangsit Shopping Mall, Future Park Rangsit, Tawanna and Saphan Phut Night Market.

18. Activists rally against US pharma giant

(from Bangkok Post Newspaper, Home News Section, Page 2, Thailand, 27 April 2007)

Around 100 health activists rallied at the Commerce Ministry to press it to decide whether the move by Abbott Laboratories to withdraw the planned introduction of new drugs into the country violates the law.

The rally was also part of a worldwide protest against the US drug giant's stance after the government's decision to issue compulsory licensing to override patents on its key Aids drug Kaletra. The decision allows the country to import or produce the generic version to expand public access to affordable medicine.

Protesters against Abbott, including pharmaceutical science academics as well as Aids and consumer rights groups, submitted a petition to Siripol Yodmuangcharoen, director-general of the Internal Trade Department. They also asked the department to set up a panel to investigate the issue, and to review the drug pricing system within three months.

The two-page petition mainly questions whether the drug firm's action is against the Trade Competition Law. The withdrawal of registration with the Food and Drug Administration affected not only patients in need of advanced medicinal treatment but also distributors incapable of importing 10 new drugs for use in the country, the letter says.

In addition, imports of Abbott drugs cost over 1.16 billion baht in 2005. Any withdrawal of the medicine without appropriate reason may result in an insufficient amount of related drugs reserved for treating patients, it adds.

About 10,000 copies of pamphlets were also distributed in the business district of Silom to publicise the problem of affordable drug access in Thailand and campaign for a boycott of medicines and other products of the US pharmaceutical firm in response to its action.

19. Call to lay down rules for signing treaties

(from Bangkok Post Newspaper, Home News Section, Page 3, Thailand, 28 April 2007)

The draft constitution has failed to fix weaknesses in the state's endorsement of international treaties, including free trade agreements (FTAs), civic groups and legal experts say. Article 186 regarding the signing of international agreements failed to say that the government must seek parliamentary backing before signing any international pact, they said.

Judge Nandana Indananda, attached to the Central Intellectual Property and International Trade Court, said the constitution does not oblige the state to disclose the pact's substance to parliament or the public. In his view, the charter should also require the state to conduct a study of potential treaty impacts and submit the report to the public and parliament before signing anything. The government should also come up with a longterm plan to cope with any adverse effects.

Article 85 says the state must promote protection of intellectual property without specifying that a transfer of technology was also needed, she added. "The drafters seem to care more for business than public interest."

20. Activists sound warning on US campaign

(from Bangkok Post Newspaper, Home News Section, Page 3, Thailand, 29 April 2007)

Thai health activists denounced American organisation USA for Innovation for running an advertisement condemning the government's decision to override the patents on American medical innovations.

Nimit Tienudom, chairman of the Aids Access Network, questioned the organisation's motive, saying that the move was aimed at protecting the interests of giant American drug firms instead of the interests of the public.

The organisation was not a "non-profit" organisation working on the protection of intellectual property and innovation as it had claimed, but in fact a proxy of the American pharmaceutical businesses, he said.

USA for Innovation kicked off an advertising campaign against "Thailand's Theft of American Assets". The campaign includes a full-page advertisement in the Wall Street Journal, and highlights a recent movement by the Thai 'military regime' to steal American medical innovations, according to the organisation.

The advertisement, under the headline "Slouching Towards Burma", says Gen Surayud Chulanont is taking Thailand down Burma's path, by lining the military's pockets with pay increases of \$9 million and new military spending of \$1.1 billion.

The agency also ran an online action campaign on its website, <http://www.usaforinnovation.org> [<http://www.usaforinnovation.org>], where people could petition Thai ambassador to Washington Krit Garnjana-Goonchorn.

21. Drug dispute could lead to trade trouble

(from Bangkok Post Newspaper, Business Section, Page B1, Thailand, 30 April 2007)

The Thai government's showdown with multinational drug companies over compulsory licensing could result in a downgrade on Washington's watch list of countries with poor intellectual property (IP) rights protection, trade sources say.

A downgrade could have consequences for Thai exports that enjoy low tariffs under the US Generalised System of Preferences (GSP).

Washington is due to release its annual report on IP protection under the so-called Special 301 section of US trade law at 9 pm tonight Thailand time. Sources say that Thailand could be downgraded from the Watch List to the Priority Watch List (PWL) of IP violators.

A downgrade would be the first in a decade for Thailand, which is among dozens of countries on the regular watch list, which reflects US displeasure over lax copyright and trademark enforcement. Countries on list could face heavy sanctions, including losing trade privileges.

An international trade source said that Thailand's overall record on IP protection this past year had not been any better or worse than in previous years. However, the Thai government has outraged the politically powerful and deep-pocketed pharmaceutical industry.

The US last placed Thailand on its PWL from 1989 to 1992. At the time, it cut import tariff privileges under the GSP for 19 products, mostly agricultural goods, exported from Thailand. Thanks to improvements in IP protection in Thailand, Washington upgraded Thailand to its watch list in 1993.

Under the Special 301 Act, Washington can take trade action or seek dispute settlements against countries on either the PWL or the WL. In practice, countries on the PWL are much more vulnerable.

A Commerce Ministry official said he was optimistic that the situation would not deteriorate further. He expressed hope that no trade action would be taken to remove GSP privileges, which would hurt about 20 key products.

However, he was not sure whether the ministry would take trade action itself in response, adding that publicity about IP problems could damage Thailand's reputation.

Pornsilp Patcharintanakul, the deputy secretary-general of the Board of Trade, expressed dismay that a political problem could become trade barrier. He said it would be better if both parties worked harder to negotiate and settle problems.

MALAYSIA

1. Sniffer dogs pile on pirates' woes with another bust

(from The Nation Newspaper, Regional News Section, Page 4A, Thailand, 1 April 2007)

The two labradors who have been deployed to sniff out counterfeit DVDs in Malaysia's movie-piracy crackdown, spent hours in a fruitless search of three premises in Kuala Lumpur. But as the dogs were being taken back home, their handlers noticed two video shops and decided to go in an whim, said Nor Hayati Yahay of the Motion Picture Association of America (MPAA). Soon the dogs had unearthed 150,000 pirated DVDs, worth 1.5 million ringgit in the second such success in one month, she said.

2. Malaysia's fight against software piracy hurt by cool response from companies

(from Associated Press Newswires, 14 April 2007)

Many Malaysian businesses seem to be ignoring the government's warnings against computer piracy, despite recent raids that have led to the seizure of hundreds of unlicensed software copies, an official said.

Domestic Trade Ministry officers have confiscated illegal software and equipment worth 1.1 million ringgit (\$315,000) from 11 companies so far in 2007, said Iskandar Halim Sulaiman, the ministry's deputy director general. Authorities believe pirated software use remains widespread among small

and medium-sized businesses, which risk bringing "disrepute to their corporate integrity" if caught, Iskandar said.

The firms raided this year were mainly in Kuala Lumpur, Malaysia's biggest city, he said.

Officials have seized 253 copies of unlicensed software and 53 computers, and were expected to file charges against the companies' management after investigations are completed.

Malaysia's copyright laws provide for maximum prison sentences of five years and a fine of up to 20,000 ringgit (\$5,700) per infringement. Some 60 percent of all software used in businesses in Malaysia was illegal in 2005, the latest year for which figures are available, according to the Business Software Alliance, an anti-piracy watchdog. Malaysia's software industry lost \$149 million to piracy that year.

Tarun Sawney, the alliance's enforcement director for Asia, said Friday that software piracy in Malaysia remains "a serious revenue loss to legitimate information technology business."

Malaysian authorities seized more than 28,000 copies of pirated software worth 23 million ringgit (\$6.6 million) in 2006 from companies, factories and offices nationwide, the government has said.

3. Malaysia to impose compulsory labeling on GMOS soon
(from *Bernama Daily Malaysian News*, 16 April 2007)

Malaysia is expected to have a legal framework on biosafety soon to ensure that only approved genetically modified (GM) products enter the market place. Natural Resources and Environment Minister Datuk Azmi Khalid said today the cabinet had decided that compulsory labelling of GM products would be enforced after the proposed Biosafety Bill, to be tabled at the current parliamentary session, was passed and gazetted by end of this year.

"Biosafety law is indeed necessary because the industries from abroad that are coming to develop biotechnology here need a legal framework to develop their businesses, otherwise they will find it difficult to operate in the local environment," he told reporters after opening the Second International Meeting of Academic Institutions and Organisations involved in Biosafety Education and Training, here.

Representatives from 70 academic institutions, regional centres of excellence and international organisations are attending the three-day meeting, organised by the Secretariat of the Convention on Biological Diversity and the United Nations Industrial Development Organisation (Unido).

Another 125 countries are in the process of drafting biosafety laws.

He said that under the proposed law, a full declaration on the properties of all GM products was required while two advisory bodies -- comprising experts from research institutions, including universities -- to approve GM products entering and leaving the country had been set up for the purpose.

4. Malaysia mulls plan to set up canine unit to fight disc piracy
(from *Associated Press Newswires*, 15 April 2007)

Malaysia is looking at setting up its own canine unit to strengthen its anti-piracy efforts following the huge success of two trained sniffer dogs on loan to the country.

Lucky and Flo, two Labradors trained to detect bootleg discs, have helped authorities uncover 1.3 million DVDs, 97 DVD burners and 30,000 recordable discs valued at 11.7 million ringgit (US\$3.3 million, euro2.7 million) since they were deployed in Malaysia March 13.

Michael Buchan, an official with the international Motion Picture Association, told the daily that the success of Luck and Flo's stint in Malaysia, as well as their three-month extension, showed that the Malaysian government was serious about fighting piracy.

"If the ministry wants to start their own canine unit, the MPA will donate two dogs," he said in the report. The MPA will sponsor the training of two new dogs as well as provide technical knowledge to local handlers, the report added.

Malaysia was the first country chosen by the MPAA to deploy Lucky and Flo, trained to sniff a chemical used in making illegal discs.

5. Malaysia imposes terms on data exclusivity for US pharmaceuticals
(from *Bernama Daily Malaysian News*, 19 April 2007)

Malaysia has set some conditions in agreeing to the U.S. request for data exclusivity (DE) for new pharmaceutical products in the bilateral free trade agreement (FTA) negotiations, Health Minister Datuk Seri Dr Chua Soi Lek said.

Among the conditions: DE is for a five-year period effective from the time a product obtains a DE from its country of origin, and it can only be granted by Malaysia's National Pharmaceutical Control Bureau (NPCB).

"The U.S. wants DE for five years for pharmaceutical products and three years for new clinical information," he said.

The DE serves to protect the rights of the originator or innovator of a pharmaceutical product. When a DE is granted for a product, no other company can register a generic version of the product for a fixed period.

Two other conditions that Malaysia wants to impose:

- No DE when only the strength of the dosage is changed but it can be given for second use of the product; and
- The right to compulsory licence under current provisions of the Patent Act 1983 will not be affected by DE.

6. Award awaits teenage inventors
(from *New Straits Time Newspaper, Malaysia*, 26 April 2007)

The third edition of the National Intellectual Property Expo 2007, starting today, will see the introduction of a new award for teenage inventors. Secondary Four and Five students will be eligible for the Young Inventor's Award, which carries a RM5,000 prize money.

Domestic Trade and Consumer Affairs Minister Datuk Shafie Apdal said the award was introduced to encourage more young inventors.

The expo, themed "Current Economic Spinner", is jointly organised by the ministry and the Intellectual Property Corporation of Malaysia (MyIPO).

The four-day event is held in conjunction with National Intellectual Property Day today. Shafie said the number of participants had increased to more than 200 since the expo was first held in 2005.

7. RM5b to protect local intellectual property

(from New Straits Time Newspaper, Malaysia, 28 April 2007)

A RM5 billion fund will be set up to protect local intellectual property, including helping inventors to develop products and register their creations.

Prime Minister Datuk Seri Abdullah Ahmad Badawi said the fund would allow more Malaysians to file copyrights, patents, trademarks and industrial designs.

"Among the objectives of the National Intellectual Property Policy is to provide financial assistance to locals to conduct research, register their copyright or patent and finally commercialise the product. Very few locals have filed patents with the Malaysian Intellectual Property Corporation," he said.

Only seven per cent of the 87,846 patent applications received since 1986 were submitted by Malaysians.

"This small figure proves that although intellectual property protection is increasingly important, efforts to raise awareness among Malaysians need to be stepped up," he said at the launching of the Malaysian Intellectual Property Policy at the Kuala Lumpur Convention Centre.

The RM5 billion fund will also be used to set up an Intellectual Property Court, due to open in June.

"The court will allow intellectual property disputes and infringements to be disposed of quickly. Compensation to aggrieved intellectual property holders can also be paid quicker. Not only will this be an incentive for inventors to register their trademarks, patents and copyrights, it will also serve as a warning to those who infringe them," said Abdullah.

He said that the process for approving and registering intellectual properties took far too long.

"This is in excess of the international standard for intellectual property approvals, which is 3.5 years."

Abdullah instructed the Domestic Trade and Consumer Affairs Ministry to speed up the approval process.

"The ministry should urgently put into place measures to shorten the time spent on this procedure. I am certain that if the process is simplified, more designers and inventors will be registering their intellectual properties."

Domestic Trade and Consumer Affairs Minister Datuk Shafie Apdal said he would improve the approval system.

"The procedure for trademarks has been shortened to 36 months, we will be reducing that to 12 months. Patent applications used to take five years, we would like to shorten that to 3.5 years," he said.

SINGAPORE

1. 80% of young Singaporeans support protection of IPRs

(from Channel NewsAsia, 25 April 2007)

Eight in ten young Singaporeans support the protection of intellectual property rights, but the majority is still not too concerned about the consequences of infringing these rights. These are the key findings in an online survey, conducted by the Intellectual Property Office of Singapore (IPOS).

80 percent of the 630 participants in the survey knew it is wrong to download music off the Internet or buy pirated discs. But many still cannot say 'no' to it. In fact, 42 percent of those surveyed believed that piracy and counterfeiting is acceptable. And because illegal downloading is increasingly seen as a social norm, IPOS wants to address this issue head-on.

It will launch a year-long campaign on World IP Day on 26 April, hoping to change attitudes and moral behaviour. It is also looking into another programme that aims to target the home.

Liew Woon Yin, Director-General, IPOS, said: "We are going to launch an initiative some time this year, together with the Internet Industry Association of Singapore, to tell parents that when their children download stuff, they might, at the end of the day, be infecting the computer with viruses. They might also lose their personal data."

Survey results also showed that six in ten people feel that punitive measures will deter them from illegal downloading. But IPOS said its new campaign would employ a softer touch. It understands that users will not be easily convinced to stop something as common as the practice of file sharing.

IPOS acknowledged that it is impossible to stop illegal downloading completely and no country in the world has managed to do so. But its focus is to control the problem and continue to educate the public about respecting IP rights.

2. Anti-piracy Ad campaign targets youth (from *Business Times Singapore*, 26 April 2007)

Honour Intellectual Property (HIP) Alliance, an Intellectual Property Office of Singapore (IPOS) initiative, will launch a new advertising campaign today aimed at young people who are engaging in online piracy.

The launch coincides with World Intellectual Property (IP) Day. HIP Alliance brings together a group of public and private sector organisations with a common interest in pursuing the need for education on IP.

'The new advertisements have been developed to be more personal and contemporary to increase (youths') understanding of the impact of online piracy on their lives, the original creators and the very content they enjoy,' said Ms Liew Woon Yin, director-general of IPOS.

The new campaign focus was developed in view of the findings of the IPOS Perception Study 2007.

Meanwhile, it seems that the 'economic national interest' argument about how piracy and counterfeiting hurt Singapore's economy may not cut it anymore with young Singaporeans: only 45 per cent saw this reason as most important to IP protection, as opposed to 75 per cent who cited supporting local creativity as the most important.

PHILIPPINES

1. Agencies coordinate on cable piracy cases (from *Business World*, 4 April 2007)

The National Telecommunications Commission and the Intellectual Property Office signed the implementing rules and regulations (IRR) on their joint cooperation agreement for the enforcement and protection of IP rights in the cable industry.

According to the agreement, signed last year, the IP Office will take on the task of adjudication involving any cable-related IP rights infringement.

NTC will endorse to the IP Office all pending and future cable piracy complaints, including helping the latter in evaluating the penalties.

Adrian S. Cristobal, director general of IP Phils., said in a statement that the release of the IRR will expedite the resolution of cases filed with the NTC against cable operators with IP rights violation.

For more than a year now, the NTC could not act on cable piracy cases due to a suit pending at the Court of Appeals. In 2005, provincial cable operator CableStar, which was sued by cable content provider CableBoss for alleged IP rights violation, filed the case at the Court of Appeals questioning NTC's authority over cable-related IP rights violations. Until now, there is no decision yet on this case.

This prompted the NTC to enter into an agreement with the IP Office last year to speed up the resolution of pending complaints. There are 30 cable piracy complaints pending at the NTC that were transferred to the IP Office last year.

Under the IRR, NTC will evaluate and determine the validity of new complaints filed with it. For any valid complaint, NTC will advise the complainant either to pursue the violation either before the IP Office or with the regular courts. Upon receipt of the order, the complainant will be given 15 days to inform NTC where he intends to pursue the complaint for IP violation.

The Philippine Cable TV Association has estimated forgone revenues from piracy at about P7 billion annually, involving some 1.5 million cable service users who are believed to be illegally connected. The industry has about 1,400 authorized operators to date.

2. Mall raids yield fake brand labels (from *Philippine Daily Inquirer*, 14 April 2007)

Eighty million pesos worth of fake Louis Vuitton items and P4 million worth of Lacoste apparel knockoffs were seized in recent separate raids that covered established malls like Harrison Plaza in Manila and Market! Market! in Taguig City.

Senior Supt. Noel delos Reyes, who led the raiding team from the Philippine National Police's Criminal Investigation and Detection Group, expressed concern about pirated goods being sold openly inside large shopping malls.

“This is not helping the government's efforts to have the country removed from the US Trade Representative's Office's watch list,” Reyes said in a statement. He was referring to a special list the United States government keeps on countries where there is rampant violation of intellectual property rights.

The USTR had “downgraded” the Philippines standing to a regular “watch list” after including the country in a “priority watch list” in the previous four years.

Reyes said the newly created CIDG Anti-Economic Task Force directed the operation dubbed “Oplan Mega Shoppers” in Harrison Plaza where 17 stalls yielded Louis Vuitton knockoffs and in Market! Market! where seven stalls were caught selling fake Lacoste goods.

The PNP is a member agency of the National Committee for Intellectual Property Rights.

3. Sniffer dogs debut in Manila in mall raid on pirated movies, including Hollywood releases
(from *Associated Press Newswires*, 16 April 2007)

The canine versions of Starsky and Hutch have arrived in Manila, where they sniffed through locked steel doors, pointing authorities to stacks of pirated movies during a mall raid.

Fresh from a successful one-month stint in Malaysia, where they angered movie pirates by helping authorities uncover 1.3 million discs and burners worth about \$3.3 million, Lucky and Flo are now training their noses on the Philippines.

Nervous stall owners scurried away or locked themselves behind steel shutters when the two Labradors, trained in Ireland to detect optical discs, led government agents and representatives of the Motion Picture Association- International through the Makati Cinema Square mall.

In the first hour alone, Edu Manzano, chairman of the Philippine government's Optical Media Board, said they seized at least 300,000 pirated discs and arrested 11 people. They face charges of copyright infringement and violation of anti-pornography laws.

He said he hopes Lucky and Flo -- reportedly the only two dogs in the world trained to sit or freeze when they sniff polycarbonate, used to manufacture optical discs -- would escape such wrath in the Philippines.

4. Local IP Office addresses book piracy
(from *INQUIRER.net*, 23 April 2007)

The Philippine Intellectual Property Office (IPO) is introducing programs to address a less prominent medium for piracy -- books.

The IPO recently held a two-day conference tackling the subject of copyright piracy and discussed programs with partner publishing organizations, including the National Book Development Board (NBDB).

In its 2006 report, the National Committee for Intellectual Property Rights (NCIPR) said it confiscated almost P1 million worth of photocopying machines and books from two establishments. Despite the prevalence of book piracy, statistics indicate growth.

Almost P15 billion net worth of books sales were reported in 2005 alone by NBDB registered publishers, and a total of 16,281 books were published from 2004 to 2006. Aside from enforcement, IPO is looking to address the issue of book piracy at the policy level.

"We are institutionalizing our Copyright Support Services Unit, which includes facilitating the establishment of collection societies for writers and other artists similar to what FILSCAP has done for musicians," said IPO director general Adrian Cristobal.

FILSCAP, or Filipino Society of Composers, Authors and Publishers, is the first collective management organization for artists in the country.

5. World Intellectual Property Day
(from *Manila Bulletin*, 26 April 2007)

Intellectual property refers to creations of the mind that include inventions, literary and artistic works, and symbols, names, images, and designs used in commerce. There are two categories – industrial

property and copyright. The former are inventions (patents), trademarks, industrial designs, and geographic indications of source, while the latter includes literary and artistic works such as novels, poems, and plays, films, musical works, artistic works such as drawings, paintings, photographs, and sculptures, and architectural designs.

The recognition, protection, and promotion of intellectual property rights has gained ground across the years, thanks to the efforts of the World Intellectual Property Rights Organization (WIPO), the specialized agency of the United Nations that is dedicated to developing a balanced and accessible international intellectual property (IP) system, which rewards creativity, stimulates innovation, and contributes to economic development while safeguarding the public interest.

To address the yawning gap between awareness and active promotion and protection of intellectual property (IP) rights among the public, the WIPO's member states decided in 2000 to designate April 26 as annual World Intellectual Property Day. This is the date the Convention establishing WIPO entered into force in 1970.

Each year, WIPO and its member states undertake activities, events, and campaigns that seek to increase public understanding of what IP really means, and to demonstrate how the IP system fosters not only music, arts, and entertainment, but also all the products and technological innovations that help to shape our world. This year, the theme of the celebration is encouraging creativity.

In his message on the occasion of World Intellectual Property Day, Mr. Kamil Idris, Director General of WIPO, pointed to the connection between intellectual property and creativity. The word creativity, he said, conjures a world of artists and music makers, of poets and problem solvers whose work is sustained by the intellectual property system that protects the rights of the creators, be they movie producers, actors, painters, singers, or medical researchers.

In the Philippines, the celebration is led by the Intellectual Property Office of the Philippines (IP Philippines), which has campaigned for a broader public understanding of IP and has taken decisive steps in making the country compliant with international laws and conventions. The IP Philippines has undertaken a number of initiatives that aim to build a creative and innovative Philippines that values, nurtures, and uses intellectual property for national development.

In observing World Intellectual Property Day, let us join in encouraging creativity by way of promoting and protecting the producers of intellectual property.

INDONESIA

1. Indonesia Govt, USTR to discuss intellectual property rights
(from *Asia Pulse*, 5 April 2007)

The Indonesian government and the U.S. Trade Representative (USTR) will discuss issue of intellectual property rights in a meeting in Washington next month.

Director General of Intellectual Property Rights Abdul Bari Azed stressed the importance of the meeting, saying Indonesia could explain the progress made by the government in the protection of the intellectual property rights in the country.

The meeting will in general focus on trade and investment cooperation between the two countries, Bari said, adding that intellectual property rights is only part of the agenda. He said materials related to intellectual property rights were sent to the USTR last month.

The results of the meeting will be used by the USTR to determine the position of Indonesia in its Watch List to be announced in June.

The USTR annually issues a watch list of the countries among its trade partners with regard to implementation of intellectual property rights.

2. Indonesia-Japan EPA expected to be concluded before year-end
(from *Asia Pulse*, 10 April 2007)

The Indonesian government hopes that an Economic Partnership Agreement (EPA) can be concluded with Japan before the end of 2007 as only a few sectors need to be agreed on in ongoing negotiations, an Indonesian diplomat said.

Indonesia would soon follow a number of other ASEAN (Association of Southeast Asian Nations) member countries which had already signed EPAs with Japan, he said, adding that the Indonesia-Japan EPA was getting first priority considering the importance of economic relations between the two countries in the future.

The two countries have now accomplished a number of chapters in the EPA like those on business competition, government procurement, taxation and intellectual property rights. The EPA concerns not only the trade and investment sectors but also the cooperation sector.

Earlier, other ASEAN member countries like Singapore, Malaysia, the Philippines and Thailand had signed EPAs with Japan. The Japanese cabinet late last week reached an agreement on free trade with Thailand. Brunei Darussalam and Vietnam are now entering the early stage of EPA negotiations with Japan.

According to Japan's foreign ministry, the agreement was intended to accelerate trade and investment liberalization which would expand the two countries' economic activities. Through the agreement, Japan and Thailand would scrap tariffs by more than 50 percent in their trade within ten years' time and Bangkok was expected to be more transparent and provide legal protection to Japanese investors.

3. RI prepares laws to battle cybercrime
(from *The Jakarta Post Newspaper, Indonesia*, 13 April 2007)

The government and the House of Representatives are deliberating a cyberlaw bill and revising a number of related laws in an effort to win the battle against cybercrime.

Information and Communications Minister Sofyan Djalil admitted Indonesia still lacked the legal infrastructure necessary to protect Indonesians from cybercrime.

Sofyan said the government was deeply concerned over the increasing prevalence of cybercrime and the extensive negative impact it has on the country. He was pessimistic, however, of the likelihood of the formation of comprehensive cybercrime legislation that would be in line with current political conditions inside the legislative body.

Theo Sambuaga, chairman of the foreign affairs, defense and information commission at the House, said Indonesia was in dire need of a specialized cyberlaw, and that it should ratify international conventions and enhance its ties with foreign governments to battle borderless cybercrime.

Theo said the government and the House should also immediately revise laws on intellectual and property rights, state secrets and patent rights, as well as the Criminal Code and the free-flow of information bill, to provide a legal basis for law enforcers to impose harsh penalties on computer-related offenders.

4. IPRs training at UGM

(from The Jakarta Post Newspaper, Indonesia, 15 April 2007)

Gadjah Mada University (UGM) in Yogyakarta plans to organize a seminar and a training for trainers (university lecturers) on intellectual property rights.

The event organized by UGM law school in cooperation with the World Intellectual Property Rights Organization (WIPO) will run from April 16 through April 21.

Experts and academics from Australia and Singapore will speak at the seminar and training session, which will cover copyright, patents, trademarks and design.

The fee for the training is Rp 1.4 million while the seminar is free.

5. Protecting intellectual property benefits us all

(from The Jakarta Post Newspaper, Indonesia, 27 April 2007)

In Indonesia, counterfeits of every kind are still common, from automobile parts to cigarettes. Data released by the International Data Corporation have shown that more than 80 percent of all software used in Indonesia is pirated. More than 170 million pirated movie and music discs were sold in Indonesia in 2005. Indonesia's Andal Software develops and markets accounting and financial software.

Its Director Indra Sosrodjojo said, piracy has dampened the whole software industry. It has especially harmed the local software industry by taking away potential and legitimate income." Domestic and international software, film and recording companies lose hundreds of millions of dollars through piracy in Indonesia every year.

Indonesia is making progress, however, conducting raids against pirated disc retailers, registering optical disc factories, and creating the National IP Task Force which reports directly to President Yudhoyono. For the sake of its own future growth, and the protection of its artists, inventors, researchers and software developers, Indonesia needs to keep up the good work against piracy and counterfeiting.

The Director of Copyrights, Ansori Sinungan, in the Directorate General of Intellectual Property Rights said, "The theme is 'enhancing creativity' and the Indonesian government's own theme for World IP Day is, 'By enhancing creativity we go towards a better tomorrow.' The Government of Indonesia is now revising IPR laws that cover copyrights, patents, trademarks, and industrial designs. This is to bring the laws in line with international treaties and to accommodate best practices for implementation.

One significant change would be to make the management of shopping malls liable for criminal charges themselves if they provide facilities for tenants selling pirated goods."

VIETNAM

1. EU, US help Vietnam combat fake and imitation goods

(from Thai News Service, 3 April 2007)

More than 60 customs officers, economic policemen and market managers from southern localities have sought ways to protect local trademarks at a workshop opening in Ho Chi Minh City on Apr. 2.

During the five-day event, the Vietnamese officers are expected to gain experiences relating to the enforcement of intellectual property rights and the fight against fake and imitation goods from experts from the European Union and the United States.

Right holders of well-known trademarks available in Vietnam, including Cisco Systems, L'Oreal, Nokia, Christian Dior, Givenchy, Guerlain, Kenzo, Tag Heuer, Nike, Gedeon Richter, Scotch Whisky Association, Ambro and Uniliver, will also take part in discussions at the workshop.

Under a tripartite cooperation programme, right holders of trademarks of Vietnamese origin will be assisted in protecting intellectual property rights in the coming time.

The EU also plans to organise around 30 activities in Vietnam this year to boost cooperation in combating fake and imitation commodities.

The workshop is being held by the EC-ASEAN Intellectual Property Rights Cooperation Programme (ECAP II), the US Patent and Trademark Office and the General Department of Customs of Vietnam.

2. Stronger copyright protection

(from Saigon Times Weekly, 7 April 2007)

The Government will strengthen protection for software copyrights in the local market. This will create an opportunity for the local software industry to grow.

A group of Vietnamese officials and experts has recently come to the U.S. to negotiate with Microsoft about a computer software purchase contract and sign a memorandum of understanding. According to Nguyen Ai Viet, vice chief of the National Steering Board for Information Technology, who headed the group, the Ministry of Post and Telematics will probably, in May, represent the Government in signing a contract with Microsoft to buy its copyrights which will allow Vietnam's government agencies to use its software for three years.

In early March, the Ministry of Culture and Information held a press conference to introduce a directive on increasing copyright protection for computer programs. Inspecting and handling software copyright violations, the directive says, have been enforced so far but the results are not as good as expected.

To guarantee the strict implementation of legal regulations and the country's international commitments on protecting computer programs, the prime minister requested that ministers, heads of ministry-level agencies, heads of government agencies, and chairpersons of people's committees of provinces and centrally governed cities to give orders and have measures to protect copyrights of computer programs and set annual budgets for buying computer program copyrights for affiliates.

The Ministry of Finance and the Ministry of Planning and Investment set the budget and they have instructed ministries, sectors and localities to set budgets for buying computer program copyrights legally in accord with regulations of the Law on State Budget.

In this directive, the prime minister also ordered the Ministry of Trade, Ministry of Public Security, Ministry of Defense, Ministry of Foreign Affairs, Ministry of Justice, Ministry of Post and Telematics, and others to be liable for each step in protecting copyrights. Vu Manh Chu, head of the Ministry of Culture and Information's Department for Literature-Art Copyrights, said the ministry's task is to manage the publishing of books, specialized magazines on copyrights and rights concerning computer software.

Joining the World Trade Organization, Vietnam has to realize its commitments to protecting intellectual property rights, including software. This also means the country has to fight

infringements and spend huge sums on buying copyrights. However, this will also be a good opportunity if local software businesses know how to take advantage of it.

According to Viet, buying Microsoft's copyrights is expensive, but this is also a stimulus for the process of developing the local software industry. "Buying Microsoft's copyrights, we can see that expenses are hefty. Thus, we have a motivation to develop open source code software and products of the Vietnamese, Viet said.

The Government plans to buy Microsoft's copyrights for three years because Vietnam wants to use these three years for developing office-software products based on open source code software. It will take three years of preparation to develop one or many products that can replace the software that Vietnam has to buy. When Vietnam's software industry develops, small entities will only buy simple Vietnamese software products while big businesses will still buy high-priced software of foreign suppliers.

According to Viet, in the future, the National Steering Board for Information Technology will strive to develop Vietnamized software using Google's 2.0 web idea. It is possible to spend some US\$1-2 million developing Vietnamized software of high quality. "Actually, Vietnam can create open source code software which can replace the software programs in use. That helps us rid software manufacturers of their monopoly and forces them to reduce selling prices and create conditions for the local software industry to grow, Viet said.

According to Ha Than, director of Lac Viet Company, when the Government strengthens software copyright protection, businesses will also benefit. He expects his company's software sales for this year to grow by 100% over last year.

3. Vietnamese enterprises assisted in patenting trademarks abroad (from *Thai News Service*, 16 April 2007)

Acting on behalf of the PM, Deputy PM Pham Gia Khiem requested on April 12 the Ministry of Science and Technology to take necessary measures to support Vietnamese entities protect their trademarks in foreign countries.

The Deputy PM also assigned the Ministry of Foreign Affairs to work with the Chinese competent agencies in assisting the Vietnam Tobacco Corporation to register the copyright for its Vinataba trademark in China.

4. Software industry requires 70 million USD investment (from *Thai News Service*, 18 April 2007)

A national programme on software development has called for an investment of 70 million USD by the decade-end to achieve an annual growth of 35 and 40 percent from now on.

The scheme, which has received the Prime Minister's approval, also sets a target of over 800 million USD in gross revenues a year, including at least 40 percent from exports of software products and services.

The industry's workforce is to burgeon to between 55,000 and 60,000 strong, each of whom is expected to produce an annual output value of 15,000 USD on average.

Vietnam plans to lead the world's software markets in foreign direct investment and join the group of top 15 software sub-contractors.

The programme also aims to reduce violations of intellectual property rights to the regional average. Of the estimated investment, 30 percent will be funded by the central Government and another 30 percent by local budgets. The remaining 40 percent is expected to come from other financial sources, including enterprises and official development assistance (ODA).

5. Bank inks licensing deal with Microsoft
(from *Thai News Service*, 19 April 2007)

Sacombank, Vietnam's largest joint stock bank, signed an agreement with software giant Microsoft yesterday to use only legal software products.

Under the memorandum of understanding (MoU), Microsoft will act as the bank's information technology advisor and help maximise the bank's infrastructure. The company will also offer seminars and training courses for the bank's employees.

For its part, Sacombank will set aside a large portion of money to legalise the illicit software products it currently uses. The bank has also committed to buying Microsoft products with copyrights in the future.

The bank already employs various legitimate Microsoft products, including operating systems and data base software.

"We see that it's time to invest in copyrighted software to protect our system and ensure the safety of our activities," said the bank's general director Phan Bich Van. "The MOU illustrates our respect and commitment to intellectual property."

Microsoft Vietnam chief representative Christophe Desriac said Vietnamese businesses are increasingly aware of software copyright regulations, adherence to which would help them improve their competitiveness.

INDIA

1. Wockhardt moves HC for patent law
(from *The Economic Times*, 4 April 2007)

Domestic pharma major Wockhardt has filed a case with the Bombay High Court after the Indian patent office rejected its application for a new version of nadifloxacin, a topical antibiotic sold under the brand name Nadoxin.

The case will reopen the debate on the value of incremental innovation - meaning new forms, derivatives and new drug delivery systems of existing molecules - as companies seek further clarity on the definition of patentibility in India.

"After pre-grant oppositions were filed against our application last year, Wockhardt was refused a patent for Nadoxin. We are now appealing against the Indian patent office's decision by taking this case to the high court," said Habil F Khorakiwala, chairman of Wockhardt.

Nadoxin was launched by Wockhardt in 2002. In December 2003, the drug was granted exclusive marketing rights (EMR) on the premise that it was the only quinolone, a family of antibiotics, preparation that could be used for topical application.

The EMR were granted for five years, or till it was made redundant by the grant of a product patent. Since the new patent Act came into effect in 2005, Wockhardt had made an application seeking a

patent for the drug. If granted, it would have enabled the company to retain its exclusivity in this market.

Last year, Cipla had filed a pre-grant opposition to Wockhardt's patent application for Nadoxin, claiming that similar drugs already existed in the market. Subsequently, the Indian patent office denied Wockhardt a patent for its antibiotic on the grounds of 'prior art' - Wockhardt's so-called innovation was information already in the public domain.

The patent office's refusal to grant a patent to nadifloxacin came a few months after it rejected Novartis' patent application for anti-cancer drug Glivec (known by its generic name, imatinib mesylate).

2. Digital database to protect intangible cultural heritage

(from The Economic Times, 9 April 2007)

After starting a dialogue with patent offices in the US, Japan and Europe for protecting India's centuries-old knowledge in medicine, the government has now turned its attention to protecting elements of folk culture that has immense commercial value.

The ministry of culture and the Council of Scientific and Industrial Research (CSIR) is planning to create a digital database of intangible cultural heritage such as songs, instrumental music, architectural concepts, martial arts, legends, paintings and pottery as the first step towards protecting them from misappropriation.

This electronic inventory would constitute evidence of what is already known and practised (called prior art) which could be used to challenge misappropriation in any segment from branded jewellery and designer cloths to legend-based movies.

Late last month, during a UNESCO conference held in New Delhi, representatives from Canada, Brazil, UK, Switzerland and Japan studied the digital database India has prepared on traditional medicine--the only one so far of its kind.

For documenting cultural expressions, this model is likely to be adopted by other countries. "For a globally binding legal framework on protecting cultural heritage, the World Intellectual Property Organisation (WIPO) has sought comments from all member nations on ten issues.

The proposed database on cultural expressions would be useful when the global framework for benefit sharing with the community that has been practising the art becomes a reality. According to experts, intangible cultural heritage has been generously adopted by popular western as well as Indian fashion designers in their creations.

There are a couple of issues where protection of cultural expressions contradicts with the patent protection of an invention. Patents are granted to useful new inventions, while cultural expressions and traditional knowledge are known to mankind for centuries.

While new inventions and creative works may be inspired by existing knowledge and other cultural and biological resources, the frameworks for protecting these diverse aspects need to have a smooth interface.

3. Unwise to challenge Patent Act

(from Business Line, 12 April 2007)

The Government advised Swiss pharma company, Novartis to rethink its legal challenge of the Indian Patent Act. "When a company comes into the country, they should consider the Indian climate and condition. It is unwise for them to get into litigation and challenge the laws of another country," said

Dr Anbumani Ramadoss, Union Health Minister, on his way out from the GoM meeting on the Pharma Policy. The case, which was being heard by the Madras High Court, was recently referred to the Intellectual Property Rights Appellate Board (IPAB) in Chennai.

The Minister also specified "India has not used compulsory licensing. We should not be pushed towards that." Compulsory licensing grants generic manufacturers rights to make copies of a patented drug under certain circumstances. Organisations including Medicines Sans Frontieres Oxfam Network of Positive People have argued that millions of patients across the world will be deprived of cheaper generic drugs if Novartis' legal challenge is successful.

Left parties and domestic pharma companies have also opposed Novartis' decision to challenge Section 3 (d) of the Indian Patent Act, after it was denied a patent for a 'modified' version of its anti-cancer drug, Glivec.

4. Indian Patent Law – needed, proper definition of 'invention step'
(from *Business Line*, 13 April 2007)

After India acceded to the World Trade Organisation, and thereby to the TRIPs (Agreement on Trade Related Intellectual Property Rights), in 1995, it was obliged to grant patents for pharmaceutical products from January 1, 2005.

Therefore to amend in 2005 the Patents Act 1970 to provide patent protection for substances capable of being used as pharmaceutical products or drugs.

India limited the patentability of pharmaceutical substances to new chemical entities. Section 3(d) of the Patents Act 1970 explains that the new form of a known substance is not different from the known substance and is therefore not an invention unless there is a significant increase in efficacy.

The said Section lists various derivatives that cannot be treated as an 'invention' within the definition of the term under Section 2(1)(j) of the Act. This added requirement of the 'inventive step' for pharmaceutical substances is intended to prevent "ever-greening".

Interestingly the Act does not define the phrase 'significant increase in efficacy'.

It may even be possible to define 'efficacy' objectively, but 'significant increase in efficacy' is something that can be judged only on a case-by-case basis, which may give rise to arbitrariness on the part of the Examiner.

In a pre-grant representation the Patent Office rejected on various grounds an application for a patent filed by Novartis for a pharmaceutical substance that is a beta-crystalline form of imatinib mesylate which is sold worldwide under the brand name Gleevac/Glivec.

One of the established grounds of opposition was that the beta-crystalline form of imatinib mesylate is the salt of a known substance without an increase in efficacy and, therefore, not an invention under Section 3(d).

Novartis took the Government of India and the Patent Office to court for rejecting its application under Section 3 (d) of the Act (even if Novartis proves the unconstitutionality of Section 3(d) it will still not be granted a patent as at least five other grounds have been established).

In a writ petition filed before the Madras High Court, Novartis claimed that India, being a signatory to the TRIPs Agreement, has failed to meet its obligations under TRIPs by having Section 3(d) in the Act, which it feels is not authorised by the TRIPs agreement.

It has requested the Court to declare Section 3(d) null and void as going against the spirit of a binding international treaty.

Indian courts have intervened in the past in the implementation of international treaties whenever national or municipal laws affect human rights and other fundamental rights; the court's decision in a matter involving private profit is awaited keenly.

The duty enshrined in Article 21 of the Constitution overrides every other obligation of the state including those under international treaties to which it is a party.

The Indian patent law has not evolved through judicial interpretations; it has been mostly Patent Office interpretation of the Act.

The Patent Office's Manual of Patent Practice and Procedure interestingly cites, at many places, foreign case laws, including that of the US Court of Appeal of the Federal Circuit, the US Supreme Court and the EPO Board of Appeal, to make a point. Therefore, this case, being followed with much interest, is expected to throw light on certain key concepts of Indian patent law.

5. DuPont files for patent infringement
(from *Business Line*, 17 April 2007)

DuPont announced that it has filed a case in the Delhi High Court alleging R-407C and R-410A patent infringement against a refrigerant reseller in India. DuPont owns patents in India covering both R-407C and R-410A, both non-ozone-depleting refrigerants broadly used in building air conditioning applications.

Mr Mark S. Baunchalk, Global Business Manager, DuPont Refrigerants said that they were pursuing strong action to stop illegal trade of 407C and R-410A in the Indian market.

"DuPont is committed to protecting its intellectual property for refrigerants such as DuPont Suva 407C and R-410A. The protection of our intellectual property is critical to ensuring our continued investment in new technologies and products for the cooling marketplace," said Mr Baunchalk.

6. Stress on protection of IPRs
(from *Business Line*, 24 April 2007)

The Intellectual Property Week has begun. It is aimed at raising awareness on growing social evils such as piracy and counterfeiting.

The FICCI - NIAPC (National Initiative Against Piracy and Counterfeiting) along with the Department of Industrial Policy and Protection (DIPP), World Intellectual Property Organisation (WIPO) and other industry bodies have started the celebrations. It would culminate on April 26, the World Intellectual Property Day.

The FICCI-NIAPC has planned to display anti-piracy/ counterfeiting posters at retail outlets in select cities organize training programmes for customs officers across different States insert related advertisements in the print media and telecast the message issue radio jingle in major regional languages arrange panel discussions on the menace of counterfeiting and piracy with major TV channels and conduct online anti-piracy campaigns on major Web sites.

Such events would highlight the importance of protection of IPRs and the need to fight the growing threat of piracy and protect consumer interest, Mr Sanjay Gupta, Chair- BSA India Committee said.

7. Fake products hit Indian economy
(from *The Statesman*, 24 April 2007)

Counterfeiting is costing the Indian economy more than Rs 120.8 crore every year and putting human health and safety at risk, a report by Ficci says. Industries such as software, video games, pharmaceuticals and music industry top the list. The World Intellectual Property Organisation recently said every product is a target for counterfeiters and 10 per cent of the world's medicines are fakes.

National Academy of Customs, Excise and Narcotics in association with Ficci and the US Embassy are organising a two-day workshop on Protection of Intellectual Property Rights. Film and music piracy of Bollywood happen in Malaysia owing to their huge popularity there and are sent back to their country of origin. Fake medicines, software and video games are produced across Indian cities and suburbs. Counterfeiters have been found to have easy means of pirating software.

Fake copies of film and music of Hollywood are also seen on sale in open markets in India for their very low price. Till date, customs officials had no power to seize fake goods at airports, seaports and landports.

As a new way to fight counterfeiting, the finance ministry is going to provide them power to seize fake goods and help right holders to move court. Mr AK Raha, member Central Board of Excise and Customs, said: Rightholders have been enabled to apply with samples or photographs of goods they fear are being contra banded and pushed into the country.

Customs officials will impound the fake goods for a maximum period of 20 days in the ports where they are allegedly been put through. In the meantime, the complainant will seek justice. According to industry leaders, a mere 10 per cent reduction in software piracy in India would create 115,000 jobs and generate \$5 billion in sales and huge tax revenue. The report says, fake medicines occupy 15-20 per cent of the Indian market.

Pirated medicines are putting the health of patients at risk. The most commonly counterfeited medicines are used for the treatment of HIV/AIDS, tuberculosis and malaria.

8. India offers Pakistan join forum
(from *Financial Express*, 26 April 2007)

India has asked Pakistan to help in expediting the process of filing joint applications for the registration of Geographical Indication (GI) of Basmati rice. Commerce and industry minister Kamal Nath has written to his Pakistani counterpart about a week ago saying India has already chosen the members of the joint taskforce, while Pakistan has not been forthcoming.

The commerce ministry sought information on the locations to register the GI application and its management aspects, from Pakistan. India also wanted to learn about the registration process since unlike India, Pakistan has not enacted legislation on GI. If Pakistan and India get together, there will not be dilution of Basmati GI and we can strengthen our fight.

9. Indian patent system focus of global attention
(from *The Hindu*, 26 April 2007)

The Patent System in India has come a long way since 1856 when British rulers enacted the Protection of Inventions Act with a view to granting exclusive privileges to inventors and manufacturers.

Far from being motivated by use of the patent system to encourage innovations and manufacture in India, the system was used by the British to help their own innovating industries. Today, after the latest (2005) amendments to the Patents Act 1970 (which succeeded the Patents and Designs Act, 1911), the Indian system has become a focus of global attention, with ardent supporters as also critics highlighting its new features falling in line with the TRIPs (Trade-Related Aspects of Intellectual Property Rights) agreement of the World Trade Organisation.

To commemorate 150 years of the Indian Patent System as also in observance of World IP Day, the Controller General of Patents, Designs, Trade Marks and Geographical Indications under the Union Ministry of Commerce and Industry has organised a two-day seminar at the Central Leather Research Institute.

D. Viswanathan, Vice-Chancellor, Anna University, addressed the inaugural session. V.P. Duraisamy, Deputy Speaker of the Tamil Nadu Assembly, said the 2005 amendments to the Patents Act took care to eliminate frivolous patents.

10. Action plan to check piracy, counterfeiting soon
(from *Business Line*, 27 April 2007)

The inter-ministerial group to check piracy and counterfeiting would shortly come out with action plan to supervise and take action against offenders. While speaking at a seminar on Thursday, Dr Ajay Dua, Secretary, Department of Industrial Policy & Promotion (DIPP), said while the Government had put in place a WTO-compliant IPR legal regime, "we need to do much more on the enforcement and implementation front not just at the Central level but more importantly at the State level," he added.

The seminar was jointly organised by FICCI, DIPP and World Intellectual Property Organisation on the occasion of World Intellectual Property Rights Day.

Mr Dua underlined the need to sensitise personnel charged with the responsibility of dealing with counterfeiting and piracy to get them to take effective action at the ground level. He said the police tended to give lowest priority to economic offences such as piracy as their main focus is on law and order and civil cases.

PAKISTAN

1. Computer dealer arrested, CDs seized
(from *Pakistan Press International Information Services*, 3 April 2007)

The Islamabad Police raided a computer seller here in Blue Area and arrested him for loading unlicensed software on new computers and breaching the copyright law. The raid was a part of the expanded nationwide campaign to purge the country's IT sector of pirated software, said a spokesman of Business Software Alliance (BSA), a group formed by worlds leading software companies to check piracy, in a press statement here.

He said 27 pirated Compact Disks (CDs) and a brand new computer loaded with unauthorised software were also seized by the police as an evidence for the court of law

The spokesman warned that any computer vendor who is found using or loading illegal software would be prosecuted. All the computer business people have also been urged to load licensed software on both the branded and non-branded machines they sell, to avoid any legal action.

Piracy has become a big threat to the global software industry, which lost more than \$ US 34.30 billion in revenue in the year 2005, he said quoting an international report. According to the report, software market in Pakistan also remained essentially a pirate one for business software, with piracy losses swelling to \$ US 48 million and the piracy rate increasing to 86 percent during 2005.

The original software are now readily available in Pakistan through the authorised distributors, he said, adding that if any company or dealer require help in legalizing his software, he may contact the BSA for free advice through its helpline 021-4301241. He cautioned the sale of illegally copied software could seriously damage the financial health and reputation of the owners of computer businesses as the copyright law violators may be fined up to Rs 0.1 million and imprisoned for up to three years.

He said BSA is committed to minimise the use of illegal software throughout the world for strengthening the IT market and to help create jobs and funds for development of new software. Many raids have already been conducted in Karachi, Lahore, Peshawar, Quetta, Faisalabad and Sialkot for checking the sale and use of illegal software CDs in the country.

2. HEC for secured int'l patents in research

(from Pakistan Press International Information Services, 13 April 2007)

The Higher Education Commissions (HEC) programme to encourage scientists to secure international patents for their research is an effort to increase the utility of the scientific work and to create a better value for the investments has begun to show great results, says a press release issued here.

The press release said that over the past 18 months, Pakistani scientists have filed US patents for their research, some of which have now been published.

Submission of ideas of invention that had a slow start is now seeing over 50 submissions per month. Before the initiation of this Programme, the filing of international patents was negligible.

Some of the newest inventions from the Pakistani scientists include a new antibiotic, a new method of treating the muscle wasting disease, a new immunosuppressive drug, a new aromatic entity, a method of converting carbon dioxide into fuel, a method of making cooking fats healthier, a new method of data encryption for cyberspace communication and many more such highly useful and potentially income-generating ideas.

Some of these inventions were submitted by the country's top scientists including Atta-ur-Rahman, Dr. Viqar Ahmad, and others to create a role model for the younger scientists to plan and put more value in their research programmes.

The Patent Filing programme comprises establishing a system whereby scientists can submit their inventions for evaluation by qualified patent law practitioners who also advise them of the patentability of the invention. The submission remains confidential and no step is taken without the consent of the inventors. In case an invention is found to be patentable, the inventor is encouraged to file for an international patent. The cost of the exercise will be paid by HEC.

The average time for an international patent to issue is about three years and it is anticipated that most of these filings would result in Pakistanis scientists being recognized as creators of useful research, one dimension of the quality of the scientific work conducted in Pakistan. Every nation that broke off the trail of poverty first developed strong intellectual property creation and utilization. It is

further encouraging that Pakistan is the only country that shares the wealth generated through intellectual property licensing with the inventors at the highest possible level.

Dr. Sarfaraz K. Niazi, the only US patent law practitioner in Pakistan familiarized the patenting concept among scientists through presentations to most major universities, several one-day workshops after Professor Attaur Rahman, Chairman Higher Education Commission and Dr. Sohail Naqvi, Executive Director HEC repeatedly stressed the need for the participation of scientists at all levels and in his speeches throughout the country and abroad.

3. Nationwide crackdown against pirated software starts
(from *Business Recorder*, 17 April 2007)

Rawalpindi Police here raided a big CDs shop in Commercial Market and arrested its owner for dealing in pirated software, as part of the nation-wide crackdown against illegal computer programmes.

"A criminal case has been registered against the dealer and the computer loaded with pirated software as well as all the illegal CDs were confiscated by the police under the country's Copyright Law," said a spokesman of Business Software Alliance (BSA), a group formed by world's leading software companies to check piracy.

According to a press statement he said that the dealer was warned earlier to give up the illegal business, but he did not pay any heed to the notice.

The BSA spokesman has appreciated the government's move to promote IT development in the country by discouraging software piracy. He was of the view that Pakistan can increase its share in the hundreds of billion dollars global Information Technology (IT) sales pool by protecting intellectual property rights (IPRs) of software developers.

Software piracy causes a detrimental impact on the country's economy because it frustrates creation of highly skilled and high wage jobs, and reduces valuable tax revenue to the government, he observed. The violation of piracy laws had also been discouraging the national and international software companies to invest in Pakistan, he added.

On the other hand, he said, the licensed software also provides many advantages to the end-users such as product information, technical support, upgrades and protection against viruses.

He cautioned that under the Copyright Law, the individuals or business companies found liable for software piracy could face fines up to Rs 100,000 and up to three years imprisonment. The spokesman said BSA is promoting the growth of the software industry through its international public policy, education, and enforcement programmes throughout North America, Europe, Asia, Latin America, Middle East and Africa.

4. BSA declares 35-day truce against illegal software
(from *Business Recorder*, 24 April 2007)

The Business Software Alliance (BSA) announced over a month-long truce in its fight against pirated software users in Pakistan. During this period, companies, organisations and individuals across the county can install licensed software without the risk of police raids, legal action, and penalties.

This was stated by Aly Harakeh, BSA representative for Eastern Mediterranean and Pakistan, at a press conference here on Monday. He said: "The truce begins from April 26 to May 30, the BSA will take strict legal action against the businesses and organisations using unauthorised software." "The

companies that take necessary steps to become fully licensed will be exempted from penalties for software violations occurring prior to April 26," he added.

The BSA consists of the world's leading computer companies, which are fighting against software piracy in over 80 countries. These include Adobe, Apple, AutoDesk, Compaq, IBM, Intel, Macromedia, Microsoft, and Symantec.

During the 35-day concession, Aly Harakeh said the alliance would encourage businesses to benefit from its campaign, besides raising awareness about software copyright and its application. He said his organisation is working in association with the Pakistan government, police and customs to check the software piracy in the country.

The BSA understands that illegal software in use of the corporate sector is for the main part a result of poor system management rather than deliberate theft, so it has decided to run the 35-day truce, he said.

Calling upon all the companies to legalise their software, Aly Harakeh said the businesses generate income by using software, so it is only fair that they compensate the software developers for their innovations.

The software copyright law, he said, is like any other law and everyone should respect them because the pirated software leaves the user vulnerable to technical problems and legal liabilities, which businesses often can ill afford.

The BSA wants to help businesses avoid these pitfalls, he said and asked all the businesses trying to determine whether their organisation is using illegal software to call the special Truce Help-line (021-5403488) installed in Karachi for additional information.

A recent IDC study revealed that Pakistan had a piracy rate of 86 percent during 2005 for the business software, which hurt the county's IT sector by about \$48 million in the same year, said Aly Herakeh. He said: "The computer-users need to recognise that intellectual property is a valuable commodity just like physical property such as cars and buildings and the BSA would not tolerate its theft."

5. IPR makes products acceptable to world
(from *Business Recorder*, 25 April 2007)

Intellectual Property Rights (IPR) adds value to the products and services making them acceptable to formal international and national market. It was stated by Hina, legal expert on IPR of the Small and Medium Enterprise Development Authority (Smeda), IPO & NUST.

While addressing the second seminar arranged by Smeda in collaboration with Institute of Management Sciences Bahauddin Zikariya University Multan. The seminar was chaired by Dean IMS Hayat Muhammad Awan, said a Smeda spokesman.

RBC of Smeda Adnan and a senior lawyer Mirza Muhammad Waheed Baig addressed the seminar. Hina Anwar, in her presentation highlighted the conceptual and procedural aspects of IPR as a value addition tool in the business world.

The seminar was a part of the series of awareness seminars to be arranged by Smeda throughout the country to apprise the business community about benefits of the IPR registration.

6. Traders advised to get registered
(from *Business Recorder*, 27 April 2007)

Director General, Intellectual Property Organisation of Pakistan (IPO-Pakistan), Yasin Tahir has advised business community to get their firms, monograms, trademarks, products etc registered to protect them copying or producing counterfeited products.

He said it is in the interest to business community to protect their products and inventions. He informed that the department received around 800 applications for registering, patents, copyrights, trademarks etc annually. Out of them 90 percent applicants are foreign companies.

In USA they received around 1.6 million applications out of them 70 percent of new products and get registration immediately, he added. He said that Pakistan developing a very large number of new products and added that they must be registered in Pakistan to protect their reproduction without paying royalty and copyright fee.

He said that the government decision to establish IPO-Pakistan was particularly aimed at addressing the institutional shortcomings that were impeding the effective management of intellectual property in Pakistan. The other decision was aimed at strengthening Intellectual Property Right (IPR) enforcement in the country.

The Director General said that location of IP registries is being consolidated in one building for operating a "One Building Operation" of IP registries for the convenience of dealing public. The objective has been achieved in Lahore where all IP offices of trademark registration, copyright and patents registration have been located in one building and placed under one senior officer for unity of command. He said efforts are underway to locate all IP registries of Karachi in the TMR Building after renovating, refurbishing and upgrading it into a full-fledged IP House.

He said that IP awareness in Pakistan is very low. In order to improve public awareness, IPO has launched a public outreach programme for link aging and leveraging internal and external constituencies i.e. Chambers of Commerce and Industry, business enterprises, R&D institutions, universities, academia and general public.

Both electronic media and print media are being increasingly used for enhancing general public awareness in IP. He said that IPO-Pakistan is now fast developing into a model of excellence in integrated management of IP registries administering patents, trademarks and copyrights. Although the new Organisation is constantly on the run ever since its inception in April, 2005 to meet its initial setting-up requirements.

However, laws and databases of non-conventional IP like geographical indications, genetic, resources, traditional knowledge and folklore are yet to be put in place. Basic work on some of the required legislation is in hand of the different stakeholders. The enforcement of IPRs has assumed urgency, as it is a major area of concern in signing of BIT and the FTA with USA.

UNITED ARAB EMIRATES

1. Copyright and patents now under MoE control (from *Gulf News*, 4 April 2007)

The intellectual property rights (IPR) and other trademarks and patents which were previously under various government departments have been brought under the Ministry of Economy (MoE).

"Developments were made to have all of them under the umbrella of the MoE as well as with UAE abidance with all related intellectual property, patents and copyrights agreements multilateral or bilateral agreements," the MoE statement said.

The MoE Undersecretary for Planning Sector, Mohammad Ahmad Bin Abdul Aziz, yesterday briefed a delegation of US politicians about the economic and investment opportunities in the country.

A presentation was made highlighting the economic and investment developments in the UAE.

Bin Abdul Aziz also spoke on the MoE development of introducing Foreign investment law that will further increase private sector competition and also MoE drafting a Competition Law to combat cartels and abuse of dominant positions.

2. Microsoft settles piracy case in UAE
(from *Gulf News*, 9 April 2007)

Microsoft reached an out-of-court agreement with a computer retailer over the sale of pirated versions of its software, an industry association said.

The Business Software Alliance (BSA), an anti-piracy association, said UAE-based Royal Focus LLC agreed to pay a settlement and signed a declaration that it would abstain from selling illegal copies of computer software.

However, a spokesperson for Royal Focus denied any wrongdoing, and said the company signed the agreement in order to quickly resolve the issue. "We have never sold pirated software and we are not going to do so in the future," the spokesperson told *Gulf News*.

The settlement follows a raid on the Royal Focus store in Computer Plaza, in Bur Dubai, where Micro-soft allegedly found pirated software for sale.

BSA said in a release, "The liability amount will be increased in case evidence is found of continued infringement."

Officials at the Censorship Department in Dubai Government lauded the news as a step towards combating the illegal sale of software. "We are happy that we are reaching into settlement agreements, this means that people are realizing the importance of IPR [intellectual property rights] laws," said director Juma Al Leem.

" Microsoft Corp and the BSA's efforts to crack down against corporations and individuals that flaunt the principles of IPR will have a massively buoyant effect on regional creative capital and will catalyae strong growth in the IT sector and software industry," said Al Leem.

3. Ministry of Economy strengthen its efforts in IPRs
(from *Middle East Company News*, 22 April 2007)

Business Software Alliance (BSA has recently praised the Ministry of Economy and the government for its efforts in promoting anti-piracy initiatives.

The Ministry of Economy (MoE) has offered its full support in curbing illegal software distribution by upholding anti-piracy legislation directed at increasing private sector investment, technology transfer and economic growth for the region as realizing the importance of protecting IPR laws to increase economic growth.

4. Dubai Customs celebrate WIPO Day under the theme 'Encouraging Creativity'
(from *Middle East Company News*, 26 April 2007)

Dubai Customs Celebrated today the World Intellectual Property Rights Day in consolidating and continuing their comprehensive media campaign that was launched last month in order to raise the

awareness on the World Intellectual Property Rights and the dangers of counterfeit products usage among the different strata of the society and traders as well as the bad effects of fake products on the culture, economy and health of the citizens.

The media campaign will include the launch of logos and messages on TVs, radios and print media starting the next month (May 2007).

Mr. Khaled Nour the legal advisor in the Intellectual Property Rights section at Dubai Customs gave a speech during the celebration on behalf of the World Intellectual Property Organization (WIPO) Director General, Kamil Idris who said, 'Each year on April 26, governments and organizations around the world join WIPO in celebrating World Intellectual Property Day. Our theme this year is encouraging creativity.'

Yousuf Ozair Moubarak, the senior manager of the intervention department at Dubai Customs said, 'we are here to conclude our cultural week of 2007 that has been attended by a over 50 customs officials and inspectors of various levels including UAE and other GCC Customs Administrations, Federal Customs Authority and Government Ministries and Organizations and over 25 theoretical and practical presentations detailing how counterfeit and unique products can be identified were delivered as well as discussing a number of issues relating to intellectual property right laws enforcement'.

From his side, the chairman of the Trade Marks Owners Council, Mr. Omar Shtawi said the Companies forming the board council took Dubai as their main center for investments in UAE and the GCC countries and the Council is working on all levels with the government, private sector, NON Governmental Organizations, Media and consumers to protect the Intellectual Property Rights.

'Dubai and the UAE hold an international investment status therefore they are keen to preserve and protect the Intellectual Property Rights and fight the illegal trade,' he affirmed.

The celebration concluded in honoring the participants in the workshops on Intellectual Property Rights that were held for the second year

It is worth noting that the Intellectual Property Right section at Dubai Customs was created on the 30th of June 2005 as the first administration of its kind in the region to match the policies of the United Arab Emirates aiming at the protection of the Intellectual Property Rights and cope with the economic development of the country.

As part of its commitment towards international agreements and the Federal Laws on Intellectual Property Rights, the Intellectual Property Right section at Dubai Customs is playing the guardian of the gates at the 14 ports of entries in Dubai, thus contributing towards in fake and counterfeited free city as well as fighting the import of prohibited goods.

It is worth noting that Dubai Customs confiscated in the first quarter of this year 23,643 pieces of fake products and issued 81 confiscation reports. The amount of the confiscated goods exceeded 7 million Dirhams.

In the year 2006 Dubai Customs confiscated during the same period 353,711 pieces of fake products and issued 65 confiscation reports. The amount of the confiscated goods exceeded 2 million Dirhams. Most of the confiscated goods were DVD, Car Spare parts, mobile phones and Tobacco products.

KUWAIT

Intellectual property rights to be protected

(from Kuwait Times, 10 April 2007)

Assistant undersecretary for inspection affairs in the Commerce and Industry Ministry, Ali Al-Baghli, said that violations against intellectual property would be criminally charged in the future, leading to extended jail sentences and huge compensations.

Al-Baghli, who heads the intellectual property protection committee, stated during the committee's seventh meeting here that the step aimed at decreasing cases of violations of intellectual properties.

He went on saying that the committee also discussed the anti-piracy media campaign carried out by the ministry of information, adding that the conferees called for appointing members of the ministry to look into piracy cases nationwide.

The committee would call on the public prosecution to attend the committee next meeting in order to take legal steps to prevent such crimes, said the official, adding that the committee's members would be assigned to investigative tasks to flush out any piracy crimes.

The committee consists of members from the ministries of commerce, Interior, and Information in addition to the Municipality and the Public Department of Customs.

SAUDI ARABIA

Omani delegation visits GCC Patent Bureau

(from Organisation of Asia-Pacific News Agencies, 21 April 2007)

A delegation from Oman's Ministries of Health, Commerce and Industry visited Patent Bureau at the General Secretariat of the Arabian Gulf Cooperation Council (GCC).

The delegation was briefed on the bureau's experiences and its role in patent protection.

The Delegation's visit comes within the framework of enhancing cooperation between the Patent Bureau and the concerned bodies of the GCC states.

The GCC is made up of Saudi Arabia, the United Arab Emirates, Kuwait, Qatar, Bahrain and Oman.
