

Monthly Report of August 2004

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THAILAND

News in August 2004

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1. Cooperation for CDs and movies

(from Post Today Newspaper, Business Market Section, Page B1, Thailand, 2 August 2004

Krung Thep Thurakit Newspaper, Economic Industry Section, Page 5, Thailand, 2 August 2004)

Watana Muangsook, Minister of Commerce, agreed with the MoU for copyright crackdown which would be signed by Ministry of Commerce, Police Department and copyright owners. This will give the right to local policemen to raid all piracy both 6 places in Bangkok and in 6 provinces for 1 month. Then another action group will exam the situation that they needed to adjust any or not.

Moreover, Intellectual Property Department will send the cooperation letter to BOI asking to reduce investment support in CDs and movie business. As DIP found that there were too many machines in the market. If they still import more, it would be using in illegal way.

2. Roadmap to address IP issues needed

(from Bangkok Post Newspaper, Business Section, Page B2, Thailand, 2 August 2004)

Thailand needs a road map for the future development and protection of intellectual property, according to Kanissorn Navanugraha, the director-general of the Intellectual Property Department.

It is expected to provide information for the drafting of a framework for future IP development, and address issues such as whether a locally developed or third party registration amendments to local laws, rules and regulations.

He said that empowering the Intellectual Property Department with greater authority would help support IP development. IPRs ranks among the most sensitive issues in the US-Thai trade talks.

Buntun Srethasirote, a researcher at an activist organization called FTA Watch, said Thai negotiators needed to have a clear and well-prepared counter to expected calls from the United States to tighten IP protection beyond the country's best interests.

3. Talks with Japan enter third round

(from The Nation Newspaper, Business Section, Page 4B, Thailand, 5 August 2004

Post Today Newspaper, Today's News Section, Page A3, Thailand, 5 August 2004

Krung Thep Thurakit Newspaper, Prime News Section, Page 1&4, Thailand, 5 August 2004)

Japan and Thailand started a third round of talks aimed at striking a free trade agreement. A Japanese foreign ministry official said that they would focus on trade in goods and services and investment and exchanges of people. The three-day meeting follows talks in Tokyo in April and in Bangkok in February which revealed significant differences.

In the second meeting, the two sides discussed trade in agricultural produce and the protection of intellectual property rights. Thailand insists on lowering or abolishing tariffs, especially in the farm sector.

4. Commerce cuts patent fee by 50%

(from Krung Thep Thurakit Newspaper, Commerce Section, Page 7, Thailand, 6 August 2004)

The Ministry of Commerce answered the Intellectual Property Department's request to reduce patent registration fee by 50%, to urge Thais to move forward having their inventions patented. The current fee for one patent is 3,000 baht, and the annual fee from the fifth to twentieth years is 300,000 baht, which is considered too high.

The patent registration fee is free for educational institutions, foundations, and non-profitable organizations.

5. Beware fake Windows licences

(from Bangkok Post Newspaper, Database Section, Page D3, Thailand, 11 August 2004)

Microsoft (Thailand) has warned consumers of the use of counterfeit OEM licences of Windows XP Professional Edition, which are being sold through some retailers to unsuspecting customers. The counterfeit software is high quality and customers who are not familiar with the authentic product could be at risk.

The authentic version comprises: a Certificate of Authenticity (COA), adhesive sticker on computer case, a user manual, and a CD-ROM for system installation with an End User Licence Agreement (EULA).

In the case of buying an OEM licence with a non-peripheral computer component, customers will receive the complete package in a vacuum-sealed plastic pack.

6. Grammy wins reproduction copyright cases

(from Bangkok Post Newspaper, Business Section, Page B1, Thailand, 11 August 2004

Post Today Newspaper, Business Market Section, Page B3, Thailand, 11 August 2004

Krung Thep Thurakit Newspaper, Business Market Section, Page 19&38, Thailand, 11 August 2004)

GMM Grammy Plc, the country's biggest entertainment group, has won court battles in which it was accused of violating the copyrights of some songs originally performed by three major folk singers, including the late luktung queen Poompuang Duangchan.

The court had ruled in the company's favour after it had produced clear legal documentation supporting its permission for reproduction of the material. Grammy said the rulings and settlement clarified the practices of the company, which claims a 70% share in the music market worth more than four billion baht a year, in doing business with respect to copyright work and creative people. Music copyright fees made up 125 million baht of the company's total sales last year.

7. One million porn and pirated VCDs seized

(from Bangkok Post Newspaper, Home News Section, Page 4, Thailand, 11 August 2004

Post Today Newspaper, Home News Section, Page A8, Thailand, 11 August 2004

Thai Rat Newspaper, Page 1&9, Thailand, 11 August 2004)

A couple was arrested and one million pornographic VCDs and pirated music CDs were seized in a raid on three companies in the same compound in Bang Phli district. No CD or VCD production equipment was found on the companies' premises. However, police alleged that the firms produced bootleg CDs in addition to permitted CDs.

8. Seeks new rice patent

(from Krung Thep Thurakit Newspaper, Economic Section, Page 3, Thailand, 16 August 2004

Thai News Service, 18 August 2004)

The Ministry of Agriculture and Cooperatives has released a list of 26 newly developed crops strains which are eligible for patent registration according to the Crops Strains Protection Act (1975). With the rice patent registered internationally, it will be easier for Thai farmers and agriculturalists to apply for patents for other new crop strains that have been developed.

The government had earlier applied to register the patent for the Chao Pathumtani 1 rice strain with the US Agriculture Department's Patent Protection Office. This offers a twenty-year patent. The International Trade Promotion Fund has allocated three million baht to support Thailand's patent application.

9. Refused extend patent protection

(from Post Today Newspaper, Today's News Section, Page A2, Thailand, 16 August 2004)

During the previous FTA talk between Thai-Japan, Japan has asked Thailand to extend the part of patent protection that to protect all parts of the product. As many Japanese products have been

infringed and the qualities of those are worst than the original. However, Ministry of Commerce said it is hard to conform to the request, as it requires state-of-the-art surveillance technology.

10. Commerce Ministry defends Thai piracy crackdown

(from Thai News Service, 18 August 2004)

Following a May 2003 report by the European Commission that criticized music, video, and software piracy in Thailand, the Commerce Ministry issued a statement refuting those claims. The report, based on information gathered in 2001, placed the level of sound recording piracy at 45-50% of market value, resulting in an overall loss of 500-600 million US dollars annually. The report urged Thailand to take remedial action, including increased criminal punishments and simplified intellectual property rights enforcement procedures.

The Commerce Ministry countered that the information that the report was based on was out-of-date, inaccurate, and unsubstantiated. In addition, the Ministry explained that they had begun a 3-month, intensified crackdown at the time of the reports release and had received only little assistance from European music and video distributors.

11. US underlines importance of IPR negotiations

(from Bangkok Post Newspaper, Home News Section, Page 6, Thailand, 18 August 2004)

Richard Shelby, chairman of the US Senate committee on banking, told Foreign Minister Surakiart Sathirathai that the process of negotiation might take time due to the comprehensiveness of the FTA coverage and the upcoming presidential election in the US.

While Washington has highlighted the protection of intellectual property rights in the negotiation, Thailand has made it clear it was opposed to the linking of labour and environmental standards with trade issues.

12. US funds training

*(from The Nation Newspaper, Business Section, Page 4B, Thailand, 18 August 2004
Thai News Service, 18 August 2004)*

The US Department of State will grant Thailand a budget of US\$265,000 (Bt11 million) to initiate training programmes on intellectual property rights protection as part of its efforts to promote the rule of law and the protection of IPRs worldwide.

Thailand is one of six recipients of the scheme, which is the first branch of funding representing approximately half of a total of \$2.5 million to be spent on IPRs training to help protect intellectual property overseas.

13. Fake Hom Mali rampant in China

*(from Bangkok Post Newspaper, Business Section, Page B1, Thailand, 18 August 2004
Krung Thep Thurakit Newspaper, Agriculture-Commerce Section, Page 5, Thailand, 18 August 2004)*

As Thai Hom Mali rice's popularity with consumers in mainland China grows, unscrupulous local traders there have been reaping big profits simply by slapping a copy of the Thai product's trademark on sacks of substandard rice and jacking up the price.

In Ningbo district in Zhejiang province, eastern China, officials from the Charoen Pokphand group recently stumbled across hundreds of 25-kg bags of rice, decked out with a Chinese brand name and logo which they said was designed to resemble the CP group's "Golden Crown Lotus" brand. The offending local trader had also faked the ministry's logo, which certifies the product as a Thai premium grade, in a bid to mislead Chinese consumers.

Even though, it is difficult to fight intellectual property violations in a huge and chaotic market like China, adding that the enforcement of IP law is poor with punishment limited to local police handing out small fines. Commerce vice-minister Parnpree Bahiddha-Nukara said the ministry would register the ministry's logo with the Chinese authorities in a bid to protect the reputation of Thai Hom Mali rice.

The ministry tried to register the logo three years ago, but Beijing opposed the application, saying that it would only allow the private sector to register a trademark or logo.

14. Open source the answer to FTA

*(from Post Today Newspaper, Business Market Section, Page B1, Thailand, 25 August 2004
Krung Thep Thurakit Newspaper, IT Internet Section, Page 9, Thailand, 25 August 2004
The Nation Newspaper, ByteLine Section, Page 5B, Thailand, 30 August 2004)*

Somkiat Tangkitvanich, research director for science and technology development at the Thailand Development Research Institute (TDRI), said that since the agreement had been broadened to cover the protection of intellectual property by extending copyright from 50 years to 70 years, the development of Thai software and the IT industry as a whole would certainly be affected.

He said the protection on patents had an even greater effect on the country. Under software patent protection, just the expression of an idea used to develop the software will be protected. This will forbid software developers to use the same idea and pattern to develop their own products.

Jade Donovanik from FTA Watch's working group agreed that open source would be an alternative for local software development in the FTA era. He said local developers should move towards open source software development and make developments in this area strong enough to build a self-reliant local software industry.

PEOPLE'S REPUBLIC OF CHINA

News in August 2004

1. Fake-goods auction nets saleswoman \$10,000 fine
2. Jiangsu Province works out IPR scheme
3. Chinese drug firm accuses domestic rivals of trademark infringement
4. China may face US sanctions over failure to stamp out piracy
5. China international patent fair begins
6. Louis Vuitton fights against pirated goods
7. Glaxo gives up patent
8. China's trademark disputes soar in 1st half year
9. Chinese Vice-Premier stresses crackdown against copyright infringement

10. China signs agreement with Mexico to combat piracy, contraband
11. Chinese firms infringing intellectual property of Korea's IT companies

12. Appeal rejected
13. City courts see jump in IPR cases
14. IPR protection campaign

1. Fake-goods auction nets saleswoman \$10,000 fine
(from *South China Morning Post*, 4 August 2004)

A woman caught by a customs officer masquerading as a buyer was fined \$10,000 for auctioning online counterfeit designer goods she bought in Shenzhen. She was convicted on two counts of possession for sale of goods carrying a forged trademark. She pleaded guilty before Acting Principal Magistrate David Thomas in Eastern court.

The items she planned to sell on the Yahoo auction site were bogus Louis Vuitton, Prada, Gucci, Hermes and Giorgio Armani brands, worth about \$9,400.

The court heard that customs officers began to investigate counterfeit leather goods being auctioned on Yahoo's local bidding sites in August. After identifying her through an Internet service provider, a customs officer pretended to be a bidder for a counterfeit Louis Vuitton handbag that she put up for auction on August 8.

In a search of her home, officers seized counterfeit designer goods including handbags, wallets, ties, caps and coin purses with forged trademarks that she had planned to sell online. Under caution, she admitted that she had registered at yahoo.com to sell the goods she had bought in Shenzhen.

2. Jiangsu Province works out IPR scheme
(from *Business Daily*, 6 August 2004)

With a newly established intellectual property rights center, East China's economic booming Jiangsu Province will soon have an unprecedented IPR strategy for its next five-year plan to ensure its development is on an ethical and healthy track.

The Jiangsu University Intellectual Property Rights Research Institute, set up late in July, is outlining a trailblazing IPR scheme for its 11th five-year plan (2006-10). According to Tang Heng who works at the institute, she and her colleagues are keying in on four aspects: creation, protection, utilization and personnel cultivation in the field of intellectual property rights.

Tang said officials hope to finish the five-year plan outline this September, and then ask for expert opinions. The outline will be handed over to an IPR provincial conference this October, where officials from different government departments will discuss whether to approve it. The institute was established by the Science and Technology Department of Jiangsu University in Zhenjiang.

3. Chinese drug firm accuses domestic rivals of trademark infringement
(from *Xinhua Financial Network News*, 10 August 2004)

Guangzhou Weierman Pharmaceutical Co Ltd, an erectile dysfunction (ED) drug producer, has accused 17 domestic drug makers planning to set up an alliance to produce a domestically made version of Viagra of infringing its drug trademark “Weige”.

Weierman Pharmaceutical was approved to use the trademark “Weige”, which is similar to Viagra’s Chinese pronunciation, in May 2002. But the Guangzhou-based company saw its sales of “Weige” seriously affected as US-based Pfizer’s patent for Viagra in China was revoked last month and the 17 companies began discussing an alliance to produce a domestically-made Viagra, which caused consumers to consider Weierman’s versions as fakes.

Although the 17 firms expressed “regret” for the decline in Weierman’s erectile dysfunction drug sales, they do not want to waste efforts in the alleged trademark infringement dispute. What they care most about is obtaining a license to produce domestically made Viagra-like products as soon as possible.

4. China may face US sanctions over failure to stamp out piracy

(from AFX International Focus, 12 August 2004

Xinhua Financial Network News, 12 August 2004

America Press Releases and Documents, 12 August 2004

Technology Daily AM, 13 August 2004)

US assistant commerce secretary William Lash said Chinese companies could face sanctions by the US and other countries if the government fails to wipe out piracy, which is estimated to cost manufacturers around the world more than US\$50bln a year – and US\$20-24bln in the US alone.

China is by far the world’s biggest manufacturer of pirated goods, despite signing agreements in 1995 to crack down on manufacturers and distributors. Mr Lash said that while the central government has said it is committed to stamping out piracy, local officials are allowing pirates to operate with impunity – even going as far as to destroy evidence to ensure manufactures escape prosecution.

The US, which has stationed investigators at the US embassy in Beijing to hunt down pirates, is now considering imposing sanctions on selected Chinese companies, including state-owned enterprises.

5. China international patent fair begins

(from Business Daily, 13&19 August 2004

Xinhua News Agency, 18 August 2004

China Daily, 19 August 2004)

China International Patent Fair (CIPF) 2004 opened in Dalian, a coastal city in northeast China’s Liaoning Province, for a display of the latest patented technologies and products from both domestic and overseas.

During the four-day fair, which is organized by the State Intellectual Property Office (SIPO), Liaoning Provincial Government and Dalian City Government, patented technologies and products are on display to business people and the public. More than 500-patented technologies

from nearly 20 countries, such as Canada, France, Japan, Russia and the United States, are on display. About 150,000 people are expected to attend.

6. Louis Vuitton fights against pirated goods

(from Shanghai Daily, 15 August 2004)

Louis Vuitton – said police raids have cut the number of fake products on the market and vowed to continue working with legal authorities and market managers to crack down on the illegal products.

Since April, police have conducted four raids and seized 20,000 fake items, including Armani, LV, Fendi and Prada. The products were found in office buildings, malls and rental apartments besides markets. In June, police confiscated another 6,000 fake leather products from a stall on Fuyou Road. Also in June, Xuhui District police conducted a sweep on Xiangyang Road Market, a renowned counterfeit paradise.

In addition to the Commercial and Industrial Administrative Bureau, LV has begun to cooperate with the Public Security Bureau, because violators are becoming more cunning and their factories and shops are more secretive.

7. Glaxo gives up patent

(from The Wall Street Journal, 16&19 August 2004

Xinhua Financial Network News, 18 August 2004

Bangkok Post Newspaper, Business Section, Page B4, Thailand, 19 August 2004

Financial Times, 19 August 2004

China Daily, 19 August 2004)

British drug maker Glaxo Smith Kline said that it was giving up a Chinese patent for a component of its popular diabetes drug Avandia following a challenge by three Chinese competitors. The company announced its decision following a hearing at which China's SIPO declared that the company waived its claim to a patent on rosiglitazone.

8. China's trademark disputes soar in 1st half year

(from Business Daily, 18 August 2004)

China's trademark dispute cases have surged to 72.98 million in the first half of this year, up 75 per cent over the same period of the previous year, according to the State Administration for Industry and Commerce. The administration said that dramatic rise in the number of trademark disputes was due to the increase in trademark infringement cases.

9. Chinese Vice-Premier stresses crackdown against copyright infringement

(from Xinhua News Agency, 19 August 2004

Xinhua's China Economic Information Service, 20 August 2004

BBC Monitoring Asia Pacific, 20 August 2004

China Daily, 21 August 2004)

China should strengthen its crackdown against copyright infringement to ensure a sound market order for both domestic and overseas investors, said Chinese Vice-Premier Wu Yi. She said

China has actively contacted foreign companies in the fight against piracy in recent years. The method has paid off, and the country has become more capable of pinpointing and coping with copyright infringement.

Chinese people's awareness of the importance of intellectual property rights has increased, and government organizations have taken the lead in the use of copyrighted software in their work, said Wu. But copyright protection problems are still serious in China, she said. The State Council is scheduled to have a meeting soon to launch a national campaign to protect intellectual property.

10. China signs agreement with Mexico to combat piracy, contraband

(from BBC Monitoring Asia Pacific, 19 August 2004)

The first binational meeting of the Mexico-China Permanent Commission has ended with a commitment from China to combat – with the principles established by the WTO regarding triangulation, subsidies and dumping – the illegal shipping of goods to our country and to respect intellectual property rights. In addition, both nations made it clear that this is not the time to seek a free trade agreement.

Closing the meetings of the binational commission, PRC Foreign Minister Li Zhaoxing said that his country, considered the global paradise of piracy, is willing to cooperate actively with international organization such as the WTO to protect both economies from trademark piracy and contraband goods.

11. Chinese firms infringing intellectual property of Korea's IT companies

(from The Electronic Times, Korea, 19 August 2004)

An increasing number of information technology firms of Korea are troubled by infringement of industrial property rights by companies in China. Since most of them are small companies in semiconductor and electronic component segments, they leave such cases as they are without taking any counter actions.

Although they have appealed to the Chinese government authorities to help them protect their intellectual property rights, they are responded by futile or lukewarm actions. Victims of piracy of industrial property rights include Interpion, Wise, KEC, and Kumyong as well as some large enterprises.

A large number of industrial property rights of Korean IT firms, including Wise and Kumyong, are infringed by Chinese companies in the course of receiving the China Compulsory Certification (CCC). Korean intellectual property owners, therefore, should be vigilant to protect their rights.

KEC found that more than 20 million units of counterfeits of its semiconductor transistors were distributed last year in China with its brand, resulting in reduction in sales and damages on its brand image. To prevent distribution of pirated products, KEC is seeking to register its trade mark in China.

12. Appeal rejected

(from Shanghai Daily, 26 August 2004)

The Shanghai No. 2 Intermediate People's Court rejected Shanghai Fuji Hunt Co Ltd's appeal. It was seeking an apology and compensation of 100,000 yuan from Japan-based Fuji Film Inc. Fuji Hunt said a statement published by the Japanese company in October 2001 harmed its reputation. The statement said the local company copied its products and violated the intellectual property rights of the Fuji Hunt trademark. The court ruled that Fuji Film did not defame the local company.

13. City courts see jump in IPR cases

*(from Shanghai Daily, 27 August 2004
Business Daily, 27 August 2004)*

Local courts have dealt with an increasing number of intellectual property rights cases over the past decade with new types of IPR cases emerging. In a briefing for consulates of 22 countries in Shanghai, the court described the situation pertaining to judicial protection of IPRs by local courts since such courts were set up in the city in 1994.

According to official statistics, local courts accepted about 4,900 IPR cases and ruled on 4,700 of them between January 1994 and the end of June this year.

14. IPR protection campaign

*(from Xinhua News Agency, 27 August 2004
BBC Monitoring Asia Pacific, 27 August 2004)*

China will launch a one-year-long campaign from September to crack down infringements on intellectual property rights. On the campaign, regional officials that fail to contain infringement of intellectual property rights will be seriously punished.

The campaign will investigate a number of serious IPR infringement cases, particular the cases on trademark, copyright and patent rights. During the campaign, action will also be taken to educate the public about the importance of intellectual property rights protection.

MALAYSIA

News in August 2004

1. Call to make innovation, creativity a lifestyle
2. Telekom sue firms for infringement
3. VCD duplicating machines seized
4. Malaysia's intellectual property development catching up

1. Call to make innovation, creativity a lifestyle

(from Business Times, 4 August 2004)

Limkokwing University College of Creative Technology president Tan Sri Lim Kok Wing said less than 6 per cent of patent ownership registered in Malaysia belonged to Malaysians while the remaining 94 per cent to foreigners. Malaysia should move towards creativity and innovation to be economically advanced.

2. Telekom sue firms for infringement
(from *The Malay Mail*, 11 August 2004)

Telekom Malaysia Bhd and its unit, Telekom Publications Sdn Bhd (TPSB), are suing BG Media Sdn Bhd and BG Online Sdn Bhd for infringement of the formers' Yellow Pages trademark. They alleged that BG Media and BG Online infringed on the trademark of their Super Pages directory and web-site, www.superpages.com.my.

3. VCD duplicating machines seized
(from *The Malay Mail*, 25 August 2004)

Two VCD duplicating machines worth RM3 million were seized by the Domestic Trade and Consumer Affairs Ministry during a five-hour raid in Kota Kemuning. The police are in the process of identifying the factory owner.

In another raid, three enforcement officers seized 200 copies of pirated DVDs worth RM2,000 from a store at Summit complex in USJ. They believe the syndicate members had fled with some of the pirated DVDs after they were alerted to the officers' arrival by 'tontos'. The syndicate camouflaged its illegal business by running a front office selling electrical items.

4. Malaysia's intellectual property development catching up
(from *Bernama Daily Malaysian News*, 26 August 2004)

Intellectual property specialist corporation is upbeat about the growth of IP in Malaysia with the increased awareness of IPR and its role in businesses across the industry. Malaysia was geared to catch up with fully industrialized nations in terms of IP development.

The government had taken a proactive role in supporting IP development and was creating an environment conducive to building the K-economy as they realize that IP development is an integral part of the K-economy that Malaysia is advocating.

The government had incorporated the Intellectual Property Corporation of Malaysia (PHIM) to look into the prosecution and maintenance of IPR in Malaysia and play a wider role in its development as well as create a larger base of IP professionals and experts in the country.

There was currently a gap in the awareness and appreciation of IP between MNCs and local entrepreneurs and enterprises. It was important for the public and private sector to work hand in hand to narrow this gap.

SINGAPORE

News in August 2004

New process to promote IP management at local firms
(from *The Straits Times Newspaper*, Singapore, 6 August 2004)

The process of getting the IP independently valued is part of the Intellectual Property Office of Singapore's (IPOS) efforts to promote IP management at local firms. IP refers to things such as the fruits of research and development (R&D), along with ideas, inventions and creative output like music and art.

That is what the intellectual property of two of mainboard-listed Stratech Systems' main businesses – computer vision and intelligent transport systems – have been valued at. Stratech is the first firm to have completed IPOS' intelligent asset management exercise under the Strategy For Creation, Ownership and Protection and Exploitation of IP programme.

THE PHILIPPINES

News in August 2004

1. Software alliance extends deadline for SAM listing
2. IP office to return to DTI
3. US not interested in trade pact with Philippines
4. Manila video firms slashing prices to fight piracy
5. Philippine court upholds McDonald's right over "Big Mac"

1. Software alliance extends deadline for SAM listing
(from *Business World*, 3 August 2004)

The Business Software Alliance (BSA) has announced the extension of deadline for registration to the SAM Advantage Program until August 13 to give companies more time to review their software licenses prior to joining the program. The program gives certification to companies that adopt proper software asset management (SAM) in their business to prevent the use of unlicensed software.

Companies that will be admitted to the program will receive the SAM advantage certificate, which guarantees that the BSA will not initiate any enforcement action against the participating company for a one-year period, but instead, work as a partner in assisting the company to be fully compliant with the Copyright Act when it comes to software use.

The program is open to all BSA partners and companies that have participated in past BSA campaigns such as the assistance in software auditing and software compliancy program.

2. IP office to return to DTI
(from *Business World*, 5 August 2004)

The Department of Trade and Industry (DTI) wants the Intellectual Property Office (IPO) returned to its jurisdiction three years after the agency was transferred to the Office of the President. The rationale for returning the IPO to the DTI is "better coordination" in the government's efforts to combat rampant piracy particularly in video and audio discs and computer software. The IPO was transferred to the Office of the President under Executive Order No. 39 signed by President Gloria Macapagal Arroyo in October 6, 2001.

3. US not interested in trade pact with Philippines
(from *Business World*, 9 August 2004
BBC Monitoring Asia Pacific, 9 August 2004)

A delegation from the Office of the US Trade Representative (USTR) told Filipino counterparts in an informal meeting last week that the country did not meet the US criteria for potential FTA partners. Moreover, it was unlikely the Philippines would be deleted from the US' Special 301 Watchlist of intellectual property rights violators until the next review cycle.

4. Manila video firms slashing prices to fight piracy
(from *The Straits Times Newspaper*, Singapore, 24 August 2004)

Local video companies are slashing retail prices and rental rates as they fight back against the scourge of rampant piracy, which has been hurting profit margins and forcing scores of video stores to fold in recent years.

To keep themselves afloat, stores have decided to bring down rentals for VCDs to as low as 15 pesos and for DVDs to 30 pesos. Retail prices of VCDs start at 95 pesos, while those for DVDs range from 395 to 700 pesos. Fake VCDs and DVDs, on the other hand, are sold for 25 to 70 pesos apiece and are rented out for a mere 5 pesos.

5. Philippine court upholds McDonald's right over "Big Mac"
(from *Associated Press Newswires*, 24 August 2004
The Wall Street Journal Europe, 25 August 2004
Post Today Newspaper, International News Section, Page A13, Thailand, 25 August 2004)

US fast-food giant McDonalds' won a landmark ruling from the Philippine Supreme Court in its 16-year battle to protect its "Big Mac" trademark from local infringement. The court reversed a 1994 ruling that gave a local food company the right to sell "Big Mak" sandwiches, saying it violated the McDonald's trademark. The decision is viewed as a landmark in efforts to fight intellectual property rights violations.

INDONESIA

News in August 2004

1. Software piracy in Indonesia decreases by 5%
(from *Bisnis Indonesia*, 2 August 2004)

The organization of global commercial software industry, BSA, said that the government of Indonesia had been able to reduce software piracy in Indonesia during 2003 as much as 5 points. During that time, the government has taken stringent action to curb software piracy in the country. The successful story of Indonesian government in curbing software piracy was by the legislation of Intellectual Property Rights Regulation No 19/2002. However, it seems that the piracy has decreased, but the total loss has increased significantly.

The government had also been actively performed some education and training on how to handle software as an assets.

2. Govt to build digital database to boost inventions

(from The Jakarta Post Newspaper, 13 August 2004)

The government is developing a digital database on national patent documents, to enable local researchers to determine industrial needs and industrial players to locate local inventions on the market. One factor that contributed to the low rate of invention in the country was reserachers' lack of interaction with industrial players that could use their inventions.

The existence of the database was expected to encourage interaction between the two parties, head of the Intellectual Property center at the Indonesian Institute of Science (LIPI). Currently, more than 13,000 documents are being stored at the Indonesian Patent Office in Tangerang.

The digital information system is being developed by LIPI in cooperation with the intellectual property rights directorate general and WIPO.

3. Thousands of illegal DVDs is annihilated

(from Suara Pembaharuan, Page 19, Indonesia, 20 August 2004)

There were 116,300 pieces of PS2 game software in DVD format, 8,800 pieces of movie in DVD format, and 25 illegal DVD master containing movie that had been annihilated in the yard of Directorate General of IPR dept. of Justice and Human Rights, in Tangerang.

The illegal products were the result of export-import prevention via Sukarno-Hatta Airport from February to June 2004.

VIETNAM

News in August 2004

1. Vietnam plans trademark fair in August

(from Vietnam News Brief Service, 5 August 2004)

The Vietnam Exhibition & Trade Fair Center, the Intellectual Property Department and the trade Promotion Department held a press conference detailing the organization of the International Famous Trademark Fair from August 11 to 18.

The aim of the trade fair is to promote famous trademarks in Vietnam, boost the sales of high-grade products and services and help local firms to build and protect their trademarks. Prizes will be awarded to the best products and services at the event.

2. Vietnam adopts international copyright laws

*(from Vietnam News Brief Service, 13 August 2004
Asia Pulse, 16 August 2004)*

Vietnam on October 26 will officially become a member of the international treaty on copyright law, otherwise known as the Berne Convention for the Protection of Literary and Artistic Works. Vietnam will become the 156th full-member of the treaty.

Under the treaty, Vietnam will grant copyright protection in the fields of literature, arts and science to citizens of countries that are signatories to the treaty. Vietnamese authors will also be protected. In joining the convention, Vietnam expects to receive better foreign works for readers to enjoy.

LAO P.D.R.

News in August 2004

Promoting industrial property system

(from Organisation of Asia-Pacific News Agencies, 4 August 2004)

Laos promotes economic development by using industrial property system. A national seminar on promoting the utilization of the industrial property system for economic development was jointly opened by the WIPO, the department of Intellectual Property of the Science, Technology and Environment Agency (STEA).

The function attended by Mr. Noulin Sinhbandith, Deputy Director General of STEA and 60 participants who representatives from line ministries, provinces and private organization was to upgrading the knowledge of the participants on the role for promoting and using the utilization of the industrial property system for economic development.

Mr. Noulin Sinhbandith said that the protecting of the industrial property was very necessary for the present society, and the development and expansion of the ICT was a part of activities to promote the growing of the world economic. He added that one of the ICT development result was from the industrial property system.
