

Monthly Report of August 2005

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THAILAND

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1. More IP protection

(from Post Today Newspaper, Business Market Section, Page B3, Thailand, 3 August 2005

Krung Thep Thurakit Newspaper, Agriculture-Commerce Section, Page 7, Thailand, 3 August 2005)

Kajit Sukum, director of IP Promotion and Development Division, DIP, said at the seminar about intellectual property in Japan that Thailand needed to encourage people to register IP more. For DIP, they had pushed to the target by arranging the seminar about IP of some countries such as US, EU and Japan.

2. Thai Customs keep close watch on counterfeit goods

(from Bangkok Post Newspaper, Business Section, Page B3, Thailand, 4 August 2005

Thai News Service, 4&5 August 2005)

The Director General of the Customs Department of Thailand has implemented special measures on counterfeit goods infringing intellectual property rights, especially goods from China. The special measures have been announced after the destruction of illegal goods worth around 30 million baht.

Mr Sathit Limpongpan, the Director General of the Customs Department, said he expected a decrease in counterfeit goods smuggling into the country, since the Customs Department has laid down special measures, particularly for electronic and computer products from China.

He indicated that steamrollers and construction vehicles have been used to annihilate these properties, including watches, purses, shoes and other items, which were worth around 30 million baht.

3. IT save IP Court's cost

(from Krung Thep Thurakit Newspaper, IT-Internet Section, Page 9, Thailand, 5 August 2005)

Suvicha Najwatchara, chief judge of IP & IT Court, said that the court had demonstrated the conciliation system by international Internet which is the first time in Thailand. This way is suitable the case that either of the parties is not in Thailand. However, the conciliation and mediation has to be the petty matter that asks for the compensation not more than Bt400,000.

4. CD copyright law set to take effect

(from The Nation Newspaper, Business Section, Page 3B, Thailand, 9 August 2005)

The Kingdom's first-ever CD copyright law is due to be implemented late this month to provide intellectual property rights protection for both Thai and foreign products. The law received royal approval on May 22 and will take effect on August 29. The law prescribes stringent restrictions and penalties, including heavy fines and prison terms, for copyright violations.

The Intellectual Property Department has drawn up the law in a bid to ensure stringent protection in CD production, equipment import, raw-material purchasing, and to prevent any illegal copying, said the department's director-general Kanissorn Navanugraha.

Under the law, CD and DVD manufacturers must report to the department their manufacturing machine number, raw-material stockpiles and warehouse. They also have to inform the department within 30 days after purchasing related raw materials, particularly plastic.

Moreover, the law will fix a mould code, mastering code and copyright owner code for all CD producers to ensure there will be no illegal products made in the Kingdom, Kanissorn said.

5. First AP innovation event

(from Bangkok Post Newspaper, Database Section, Page D2, Thailand, 10 August 2005)

The National Innovation Agency (NIA) will hold its first innovation conference and exhibition, InnovAsia 2005, from September 21 to 23 at Queen Sirikit National Convention Centre. Former Science and Technology Minister Korn Thapparansi said Thailand needed to have its own intellectual property to be competitive and sustainable, and that InnovAsia 2005 was an important platform for the country to showcase its progress.

Suphajee Suthumpun, country manager for IBM (Thailand) – the main corporate partner – said that the company would announce three key projects during the event: 500 software patents for open source developers; the World Community Grid project in Thailand; and “Thought Leadership.”

Also during the Intellectual Property Protection session, Chinese giant Lenovo will talk about IP, while an Innovation and Entrepreneurships session is expected to lead to a “Bangkok Declaration.”

6. Software matters

(from Prachachart Thurakit Newspaper, Page 32, Thailand, 18 August 2005)

President of Association of Thai Computer Manufacturing (ATCM), Mr. Purathip Auesakchareonkrung, said that he had received complaints claiming "pirated software is rampant in government procurement". According to him, the bidders shows lower price 10-20% due to using pirated Windows and other Microsoft software, and getting successful bid.

Government regulation requires using authentic software. However, since officials cannot distinguish between pirates and genuine, lowest bidder is awarded contract. In this regard, Microsoft Thailand establishes internal committee to investigate.

7. DIP urged to create more of patent agent

(from Thai News Service, 23 August 2005)

The Department of Intellectual Property has accelerated its plan to create more patent agents, to provide more convenience for Thai patent owners.

According to the department Director General, Kanissorn Navanugraha to become a patent agents, a trainee must have knowledge and be dedicated to the protection of the patent. Meanwhile, currently Thailand has over 2,000 patient agents.

Mr. Kanissorn disclosed that The Department of Intellectual Property is preparing its working plan to train more patent agents, in which those qualified must hold at least an undergraduate degree level, and pass a basic training course from the Department. The registration of patents, trademarks and copyright registrations is a complicated process, which requires patent agents to help the owner of these intellectual properties with the process, according to Mr. Kanisorn.

8. US hoping to finalise FTA deal by spring

(from The Nation Newspaper, Business Section, Page 1B&7B, Thailand, 26 August 2005

Krung Thep Thurakit Newspaper, IT-Internet Section, Page 9, Thailand, 30 August 2005)

The U.S. Trade Representative's office hopes to conclude a free trade agreement with Thailand by spring next year, the Nation reports, quoting Lisa Coen, deputy assistant USTR for Southeast Asia and the Pacific.

Coen said talks between the two countries have moved positively so far, especially after the last round in Montana, according to the report. The next round will be in Hawaii late next month. Failure to conclude the deal on time may complicate the talks because of the expiry of the "fast track" or trade promotion authority act in mid-2007. The act gives the U.S. president the power to negotiate trade agreements that Congress must approve or disapprove but can't amend.

Coen said USTA would like to use TPA with Thailand as it has done with previous trade deals. She said that without TPA, "countries are reluctant to engage in negotiations because they have to negotiate with the entire congress. It would be a bit tricky."

As things stand now, trade negotiators haven't made any offer on a number of issues such as intellectual property protection, agriculture and financial services.

9. Decree on CD production to come into effect next week

(from Thai News Service, 26 August 2005

Krung Thep Thurakit Newspaper, Commerce Section, Page 5, Thailand, 29 August 2005)

The Department of Intellectual Property has held a seminar to inform business owners and those with rights in CD production how to best follow the Decree on CD production.

Mr. Kanissorn Navanugraha, the director-general of the Department of Intellectual Property, hosted a seminar aimed at informing business owners and CD production operators on how to best act under the Decree on CD production, including the processes involved in reporting CD production, ownership of machinery involved in production, the conditions of reporting production quantity and the location of production materials.

As for the Decree on CD production of 2005, which will come into effect on August 29th, which stipulates that Polycarbonate Plastic, which is used in the production of CDs and DVDs, exceeding seven hundred fifty kilograms in weight must be reported to the Department of Intellectual Rights within thirty days, so that officials can give certification of production rights, as well as identification codes for business owners to affix to their CD and DVD production machinery.

The Director-General also added that the issuance of the Decree on CD production will prevent the production of un-copyrighted CDs and DVDs.

PEOPLE'S REPUBLIC OF CHINA

News in August 2005

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4. China needs IPR warning system
5. Jetro warns firms of China over-exposure
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7. Cash rewards for piracy tips
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1. Contents industry fighting Asian piracy

(from Daily Yomiuri, 2 August 2005)

With losses from rampant product piracy in other Asian countries running to billions of yen, Japanese intellectual property organizations have launched a campaign to promote authentic Japanese entertainment content overseas, including movies, music and game software.

According to estimates by the Copyright Research and Information Center, 3 billion of these Japanese products were pirated in China in 2003, costing Japanese firms more than 2 trillion yen in lost sales. Television programs topped the list with 1.5 billion copies, followed by music, game software and movies.

The Japan External Trade Organization, which also functions as an office for the association, opened last year Contents Distribution Promotion Centers in Beijing and Shanghai to gather information on pirated products.

The Association of Copyright for Computer Software also opened an office in Shanghai in spring. The Recording Industry Association of Japan also has pitched in.

In January, when the revised Copyright Law was enacted, the association established a committee to expand the Asian market for Japanese music.

The Copyright Law was amended at the request of the association, which argued that left unchecked imports of cheap Japanese music CDs from other Asian countries threatened to deal a heavy blow to the nation's music industry.

To market more Japanese music CDs in other parts of Asia, the government had to adopt measures to prevent the pirating of such products, the association said. The Japanese contents industry has to not only urge Chinese authorities to step up a crackdown on product piracy, but also map out a sales strategy, including price, to target Chinese consumers.

2. Hisense claims infringement

(from Industry Updates, 3 August 2005)

Household appliance manufacturing giant Hisense says another company has infringed on its trademark by selling products under its brand name.

An investigation conducted by Hisense Group indicates fake products bearing the Hisense brand were found last year in Jiangsu, Sichuan, Shaanxi, Gansu, Shandong, Henan and Hebei provinces. The counterfeit products were all traced back to the same company, registered as "Hisense Electric (Hong Kong) Holdings Co Ltd" in Hong Kong on January 10.

Senior officials at Hisense say they have requested that the Hong Kong-registered firm withdraw its title and warned it may take legal action.

3. Baidu sued for piracy ahead of IPO

(from Industry Updates, 4 August 2005)

Baidu.com Inc, China's biggest Internet search engine which is partly-owned by Google Inc, is being sued by two local companies over alleged copyright infringement, ahead of its planned first-time share sale in the United States.

Beijing New Picture Film Co, copyright owner of "House of Flying Daggers," filed a suit in June against Baidu for allowing users to download the movie for a fee, the plaintiff's lawyer, Ye Zhijian, said Monday by phone in the eastern city of Hangzhou. The Chinese-language film was released overseas by Sony Corp.

Shanghai Busheng Music Culture Media Co also sued Baidu in June for allowing unauthorized downloads of 53 songs, according to share sale documents released by Beijing-based Baidu ahead of its planned offer of stock on the NASDAQ market in the United States. Baidu spokeswoman Zhang Ling in Beijing declined to discuss either case.

Beijing New Picture Film was demanding US\$20,056 in compensation and damages from Baidu, lawyer Ye said. The Hangzhou Intermediary Court would rule on the case in about two weeks, Ye said. Shanghai Busheng is seeking US\$67,661 in damages, Baidu's documents show.

4. China needs IPR warning system

(from Xinhua News Agency, 10 August 2005)

A Chinese legal expert on Wednesday said China needs a comprehensive Intellectual Property Rights (IPR) warning system to direct domestic enterprises to smoothly register their patents overseas.

Jiang Zhipei, presiding judge of the third civil court of the China's Supreme People's Court said in an interview with Xinhua prior to the 22nd Congress on the Law of the World that an IPR warning system refers to a comprehensive and accurate grasp of the world's patent registration situation in every industry and suggestions on patent research directions to enterprises and institutes.

"For example, in the electronics industry, there are already several hundred patents registered by foreign countries. China's relevant governmental departments on IPR should first learn where is the industry's patent registration "vacancy" and then suggest the relevant institutes and enterprises to take those "vacancies" as their research direction, so as to avoid useless work," Jiang said.

Jiang said China has established a full-fledged legal system to protect intellectual property rights. Chinese courts heard about 15,000 cases on IPR last year and at least 400 IPR laws offenders are put into prison every year. Jiang said in the future China would try its best to become a participant in international IPR protection treaties.

5. Jetro warns firms of China over-exposure

(from Business Times Singapore, 11 August 2005)

Japanese companies need to reduce their 'over-dependence' on China as a destination for trade and investment and cultivate other high-potential markets such as Brazil, Asean and India, says the Japan External Trade Organisation (Jetro).

In its annual White Paper on international trade and foreign direct investment, published yesterday, Jetro also cites generally 'overheated' investment in China as a risk to continued global growth.

This is the most explicit warning the official body has issued to businesses about the danger of over-exposure to China, although it has previously urged them to adopt a 'China plus one' attitude towards investment.

A recent White Paper by Japan's Ministry of Economy, Trade and Industry also warned companies about the danger of over-reliance on China.

6. HK pledges to protect IPR

(from Xinhua News Agency, 13 August 2005)

Hong Kong residents Saturday showed their commitment to protecting intellectual property right through a concert organized by the Intellectual Property Department in Sha Tin.

The public's commitment and respect for the rights of others helps boost Hong Kong's economy, Acting Director of Intellectual Property Peter Cheung said at the "I Pledge" Sixth Anniversary Mini-Concert held at the Entrance Arena in Sha Tin New Town Plaza.

Launched in 1999, the "I Pledge" campaign has attracted more than 8,000 members who have pledged not to buy pirated and counterfeit goods, and to respect the intellectual property rights of others.

This year, to celebrate the campaign's 6th anniversary, the department co-operated with some legal music download providers to offer members free music downloads.

7. Cash rewards for piracy tips

(from Shanghai Daily, 16 August 2005)

Mapping authorities in the city announced yesterday they will provide cash rewards of up to 100,000 yuan (US\$12,346) to those who provide "valuable clues" to help ferret out the producers and vendors of pirated maps.

They also said they will begin selling genuine maps at major downtown locations using automatic vending machines. The high rewards will help collect information about who is printing pirated maps and increase public awareness about the importance of intellectual property rights.

Genuine maps, which sell for about 5 yuan, are updated two to three times a year to keep up with the city's rapid development. Many pirated maps, however, date back several years and contain numerous spelling mistakes. Cao said his coalition often receives complaints about poor-quality maps, but it hasn't found an effective solution to the problem so far.

8. 12,000 patent applications filed in China Shanghai

(from China News Digest, 17 August 2005)

More than 12,000 applications for patents were filed in Shanghai in the first half of 2005, up 38 pct year-on-year, it was reported on August 17, 2005. Patent applications filed by companies in Shanghai exceeded 8,200, up almost 57.4 pct year-on-year.

Service inventions, which are made by employees during the course of their work, accounted for 81 pct of all patent applications in Shanghai during the six-month period, double the Chinese average of 41 pct.

The applications for patents involving the highest degree of innovation accounted for 37 pct of all applications in Shanghai, compared with a nationwide average of 24 pct. Patent applications in the field of new materials, biological materials, the medical and pharmaceutical sectors exceeded 1,200 in Shanghai.

9. Nissan is Granted China trademark

(from Global Insight Daily Analysis, 18 August 2005)

Nissan has become the first Japanese automaker to be granted a trademark for its brand in China, according to Agence France-Presse (AFP). The Japanese automaker has been granted a trademark for its logo using Roman letters and is planning to apply for protection for its name in Chinese characters also.

10. Piracy talks vital as seas grow rough

(from Australian Financial Review, 19 August 2005)

Industry concerns over chronic Chinese pirating of Australian intellectual property would be the priority issue for Australian negotiators in the second round of free-trade agreement negotiations, which resume next week in Beijing, Trade Minister Mark Vaile said.

Endorsing the thrust of a position paper by the Australian Chamber of Commerce and Industry calling on the government to resolve the intellectual property issue as a priority, Mr Vaile described it as a "top order" issue in FTA negotiations with China.

11. Supreme Court enhances piracy protection

(from Dow Jones International News, 22 August 2005)

The Supreme People's Court, China's highest court, is working on several judicial interpretations to solve the problem of loopholes and omissions in current legislation for the protection of intellectual property rights, the China Daily reports.

Judicial interpretations enjoy the same legal effectiveness as law articles and can be used by judges in their rulings, the paper says.

The drafting of judicial interpretations is necessary as legislation lags developments in IPR violations and the number of cases is increasing, Jiang Zhipei, chief judge of the IPR Tribunal of the Supreme People's Court, said.

The Standing Committee of the National People's Congress, the country's top legislature, is considering revision of law, but the legislative process is taking years due to the complicated market situation, the China Daily says.

Since 2000, the Supreme People's Court has promulgated a total of 26 IPR-related judicial interpretations, covering such sectors as patents, trademarks, copyrights, computer network-based copyrights and computer domain names, the report says.

The Supreme People's Court and the Supreme People's Procuratorate jointly released a judicial interpretation at the end of last year to lower the thresholds for IPR offense punishments. The legal document made it easier to prosecute IPR violations and give out tougher sentences to offenders.

12. Chinese gov't owned firms record rise in patent applications

(from Asia in Focus, 22 August 2005)

Patent applications by enterprises owned by the Chinese government have risen by nearly 30 per cent annually in recent years, said the State-owned Assets Supervision and Administration Commission (SASAC). The 169 enterprises under the supervision of the SASAC filed approximately 6,580 patent applications, with 2,853 of them being in invention, SASAC said.

* 3,886 patents have been authorized, 1,265 of them for inventions.

* Applications by oil and petrochemical industries made up nearly 30 per cent of total patent applications.

13. IP owners must act now to protect assets

(from Business Wire, 23 August 2005)

Many companies are seeing rapidly expanding international threats to and violation of their intellectual property rights, particularly in China. Despite recent initiatives by the Administration, given the complexity of and current strains in US-China bilateral relations, IP owners must not rely on the US government as a first line of defense of their rights.

China presents special challenges. Understanding the "China-threat" and mounting an effective program requires a solid understanding of the environment and the tailoring of a China-specific protective program.

"PROTECTION OF IP RIGHTS IN CHINA," is a two-part teleconference program (August 31 and September 14, 2005 - CLE is available) that will directly address this question. The program presenters are leading authorities on international intellectual property issues with special expertise on China.)

14. Twenty-seven pirates arrested

(from Shanghai Daily, 24 August 2005)

The Shanghai No. 1 Intermediate Prosecutors' Office yesterday ratified the arrest of 27 suspects who were allegedly involved in producing and selling faked certificates and infringing intellectual property rights.

Prosecutors allege Liang Jianhua and Zheng Yaoming of selling counterfeited world famous watches like Rolex and medicines like Viagra. Liang made a profit of about 2 million yuan (US\$246,914), prosecutors said.

15. GM mulls counterfeit car changes

(from Canada Business News Network, 24 August 2005)

General Motors has played down talks that it is apparently considering legal action against a Chinese partner of Ford after the company began exporting what GM believes is a copy of one of its vehicles.

The counterfeit car charges were originally alleged in a Financial Times article and are apparently being considered after Jiangling Motors began exports to Europe of a vehicle GM believes is a copy of one of its vehicles.

The company has handed the case to its legal department to consider whether to start a lawsuit, although no decisions have been made.

16. Adidas case

(from China Daily, 30 August 2005)

The sportswear giant Adidas launched a lawsuit against three Chinese companies for intellectual property rights violation and seeks 3 million yuan (US\$370,000) in compensation. The Beijing No 1 Intermediate People's Court held a hearing on the case yesterday.

Adidas International BV accused the Fujian-based Aile Clothing and Shoe Company of using a design very much like that of the three-stripe Adidas trademarked logo.

The plaintiff found the logo on Aile products, mainly sports shoes and clothing, as well as its promotion materials, in a Beijing market in December 2002, said Huang Hui, an attorney for the Adidas. The court did not make any ruling yesterday.

World famous brands are easy prey to intellectual property rights (IPR) violations, said an expert from an IPR agency, who declined to be identified.

But in many cases, producers were usually found to be using the pirated trademarks of world famous brands. The Chinese Government has intensified its efforts to fight such practices. "But this case is different because it does not use the same logo as Adidas, and it is hard to say whether Adidas can win the case or not," said the expert.

17. Sino-US cooperation in copyright protection effective

(from Xinhua's China Economic Information Service, 31 August 2005)

China and the United States have conducted effective cooperation in copyright protection since a mechanism was set up for the purpose last month, a Chinese culture official said in Beijing on August 31.

Liu Yuzhu, head of the culture market department of the Ministry of Culture, made the remark at the first joint meeting of the Sino-US film copyright protection mechanism, held in Nanjing, capital of east China's Jiangsu Province.

China's Ministry of Culture (MOC) and the State Administration of Radio, Film and Television (SARFT) inked a memorandum with the United States' Motion Picture Association (MPA) in mid-July following the bilateral consensus on protecting intellectual property rights reached early last month.

According to the memo, the MOC, SARFT and the MPA will hold joint meetings on a regular basis. The two sides will exchange publications and release information on films and home video products, work out schemes to jointly crack down on pirated home video products and protect film copyrights.

In the first half of this year, the cultural authorities of China investigated 349,000 audio-visual studios and stores, confiscating 94.21 million pirated discs and tapes, Liu revealed. Michael C. Ellis, Senior Vice President and Regional Director of the MPA, expressed the hope that the two sides would further enhance bilateral cooperation to protect the rights of film makers and distributors.

MALAYSIA

News in August 2005

1. Beef up software piracy surveillance
(from *Business Times*, 18 August 2005)

Penang's potential as a business process outsourcing (BPO) hub can be further boosted if the state beefs up its surveillance of software piracy activities, according to an economic report. The Socio-Economic and Environmental Research Institute (SERI), the state's think-tank, said most prospective investors deem intellectual property law as crucial when considering offshore locations.

"Other important inputs from the Government that could enhance the attractiveness of Penang include providing a better quality of life to the highly mobile workforce of the BPOs through improved facilities and infrastructure.

Besides that, competitive tax regimes and customised incentives would also be a pull-factor for foreign outsourcing investors," SERI said.

2. Increase in local biotech patents
(From *New Straits Times*, 22 August 2005)

The number of local patents in biotechnology is increasing. From just 405 patents in 2000, 2,347 patents were registered last year. This year, the number of patent is expected to reach 2,800 based on statistics from the Intellectual Property Corporation of Malaysia (MyIPO).

Currently, Malaysia is still not registered under PCT and this slows down its biotech findings from getting international recognition, said Robinson at BioTechnology Asia 2005 in Kuala Lumpur last week.

Companies that patent their findings would have a 20-year monopoly right to exclude others from, among other things, using, making, selling, importing and offering the invention, he added.

SINGAPORE

News in August 2005

1. Singapore police arrest Internet pirates
2. SMEs slow in complying with Copyright Act
3. Three net users nabbed for sharing pirated music

1. Singapore police arrest Internet pirates
(from *Xinhua News Agency*, 2 August 2005)

Singapore police on Tuesday arrested four men and a woman who had sold pirated optical discs and other materials on the internet, Channel NewsAsia reported. The five pirates, aged between 23 and 41 years old, were caught at their homes, along with some 1,600 discs and other equipment.

The report quoted the police as saying that they will hunt down violators of intellectual property rights laws, including those who make use of the anonymous feature of the internet. The five people can be fined up to 100,000 Singapore dollars (about 60,000 US dollars) and jailed up to five years if found guilty.

2. SMEs slow in complying with Copyright Act
(from *Today (Singapore)*, 5 August 2005)

Seven months after the amended Copyright Act was put in place with stricter regulations on intellectual property (IP) usage, small and medium enterprises (SMEs) remain the weakest link, as they have adopted a wait-and-see approach.

According to the chairman of the Singapore infocomm Technology Federation, Mr Stephen Lim, SMEs want to see how strictly the Government would be enforcing the law and the extent that firms will be punished for IP infringement.

They are also waiting in the hope that vendors will slash software licence fees, Mr Lim said at a round-table discussion organised by the Business Software Alliance (BSA) yesterday.

Under the amended Copyright Act, it is a criminal offence for firms to use unlicensed or pirated software. Directors and IT managers of errant companies will be liable for fines of up to \$20,000 and jail terms of up to six months for first-time offences. One of the reasons why SMEs fall behind large enterprises in IP compliance is costs, said experts at the roundtable.

3. Three net users nabbed for sharing pirated music
(from *The Straits Times Newspaper, Singapore*, 18 August 2005)

Three men aged 16 to 22 were arrested at their homes yesterday for distributing 20,000 pirated digital music files using a program designed to share files over the Internet. This is the first time police have targeted home Internet users who distribute digital music but do not try to profit from it.

Deputy Superintendent of Police Tan Kah Khin, head of the Criminal Investigation Department's Intellectual Property Rights Branch (IPRB), warned that distributing pirated music files is illegal, even if it is done for free. Offenders face jail terms of up to five years and fines of up to \$100,000.

THE PHILIPPINES

News in August 2005

1. Asian Pacific countries tackle IPR issues on trade, investment
2. Gov't hopes efforts will lead to removal from IPR watch list
3. Harry Potter gets illegally zapped into CDs in Philippines
4. Crackdown set against illegal software users
5. PNP, NBI joins anti-piracy campaign
6. Special IP courts to be named soon
7. P500m counterfeit goods seized

1. Asian Pacific countries tackle IPR issues on trade, investment

(from Asia Pulse, 1&2 August 2005

Business World, 3 August 2005)

Representatives of Asia-Pacific (AsPac) countries are meeting in the Philippines to discuss various issues on intellectual property rights (IPR) affecting trade and investments within and outside the region.

The Intellectual Property Office of the Philippines (IPOPhil), host of this event, said the Philippines is expected to clarify the relationship between trade and investment facilitation as well as protection of IPR, any creation or product of the human mind or intellect.

IPOPhil explained such discussions are needed to protect from exploitation work and products generated in AsPac countries.

The agency noted protecting IPR is important as globalization or the integration of economies and societies worldwide continues to promote entry of companies into foreign markets.

To help promote and protect IPR in the AsPac region, IPO said, the meeting's agenda covers presentation of new IPR-related project proposals like cooperation with other fora, review of IPEG's projects and new convenorship of the group.

The agenda also includes presentation of other collective APEC IPEG measures that support easy and prompt acquisition of rights, electronic processing of IPR- Australia and Japan's proposed technology transfer facilitation through assured IP protection are also listed in the agenda.

IPO also said the representatives will discuss APEC nations' best practices to combat optical disc piracy, IPR infringement and enforcement, anti-counterfeiting, geographical indications, biotechnology and computer-related inventions, subscription broadcast review and compulsory licensing.

2. Gov't hopes efforts will lead to removal from IPR watch list

(from Business World, 4 August 2005)

The government is stepping up its anti-piracy drive in a bid to convince the United States to remove the Philippines from a list of countries violating intellectual property rights (IPR). Intellectual Property Office director-general Adrian S. Cristobal, Jr. yesterday said government agencies are currently firming up an "IPR Plan" focused on ensuring country's removal from the US Trade Representative's (USTR) Special 301 Watchlist.

"The USTR [has] acknowledged the gains made by the Philippines in promoting IPR and cracking down on IPR violators. But the US felt more could be done," Mr. Cristobal told reporters.

The IPO, together with the Justice department, Philippine National Police, National Bureau of Investigation, Optical Media Board and the National Telecommunications Commission have come up with an IPR plan with the following components: * creation of special IPR courts devoted solely to resolving the backlog of IPR cases; * assignment of specialized prosecutors in the Justice department to handle IP cases; * sustained and intensified raids of outlets and distribution channels of pirated DVDs, CDs, and consumer products; * Signing of a

memorandum of agreement among all agencies for a coordination mechanism; * creation of a database which would include the names of violators, number of cases filed, cases for prosecution, number of items seized and destroyed, among others; and * including IP protection education in grade school and high school.

The Philippines has been in the US IPR watch list for four years.

3. Harry Potter gets illegally zapped into CDs in Philippines

(from Agence France Presse, 9 August 2005

Bangkok Post Newspaper, International News Section, Page 6, Thailand, 10 August 2005)

Copyright pirates in the Philippines have found a new way of copying the latest Harry Potter best-seller -- selling the contents on computer discs in the sidestreets of the capital. "Harry Potter and the Half Blood Prince", the sixth installment of the popular boy wizard's adventures at the Hogwarts school of magic, was released on July 16 and has been enjoying robust sales in bookshops.

In the Philippines copies have been transcribed in computer format and CDs can be purchased from street vendors for 300 to 500 pesos (5.37 to 8.95 dollars). The discs, which can be read on any computer, sell for much less than the book which retails for about 1,500 pesos.

The Trade Department's Intellectual Property Office said they had not heard of the CDs and previously the only books being illegally copied in the Philippines were academic textbooks.

4. Crackdown set against illegal software users

(from Philippine Daily Inquirer, 22 August 2005)

Beginning Sept. 16, the NBI, the Optical Media Board, and the Philippine National Police would start conducting operations against businesses engaged in the selling and distribution of illegal software, said Jose Justo Yap, head of the National Bureau of Investigation-Intellectual Property Division.

"The team's Oplan Crackdown encourages users to legalize their software before the series of raids begin," Yap said, adding that government agencies are supportive of the Business Software Alliance's (BSA) campaign against the use of pirated software by local firms.

In newspaper advertisements published last Aug. 17, the BSA and the anti-piracy team said that losses due to piracy amounted to P3.7 billion in 2004.

The alliance also cited data from the second BSA-IDC Global Software Piracy Study which showed that 71 percent of computer software used in the Philippines last year was illegal. "This is a major blow to the development of the local information and communications technology sector and has posed a threat to the country's economy," the alliance said.

The BSA added that violators of the Intellectual Property Code or the Optical Media Act may face imprisonment of up to nine years.

5. PNP, NBI joins anti-piracy campaign

(from INQ7.net, 24 August 2005)

The Philippine National Police (PNP) and the National Bureau of Investigation (NBI) agreed to help the Optical Media Board in its effort stamp out software piracy in the country. Hoping to give more teeth to government's anti-piracy campaign, PNP Police Director Arturo Lumibao said its participation would give local authorities more power to go after software pirates who operate in the country.

The new anti-piracy campaign, dubbed Pilipinas Anti-Piracy Team, has set a 30-day deadline, starting August 16, for companies to stop using unlicensed software. PNP, NBI, and OMB officials said they were already eyeing several local companies but did not elaborate.

The Business Software Alliance (BSA), representing software companies, and the Intellectual Property Coalition, a group of IP stakeholders, have also joined the repackaged anti-piracy campaign. About 80 percent of IP violations happen through file-sharing networks, he added, noting that optical media piracy only accounts for a small portion of piracy problem worldwide.

6. Special IP courts to be named soon
(from Business World, 25 August 2005)

The Supreme Court en banc will be naming two courts in Metro Manila to hear intellectual property (IP) cases. Intellectual Property Office (IPO) Director-General Adrian S. Cristobal, Jr. said the two special courts would be set up within this year in Manila and Quezon cities. A copy of the SC resolution was received by the IPO just this week.

He said other special IP courts would eventually be established in other key cities. The first two courts are being set up in Metro Manila because 88% of the current 1,186 cases involving IP infringement in the country are there.

The IPO, he said, also intends to link up with the Department of Education (DepEd) to work on integrating IP training into the school curricula. Alliances are also being formed with the private sector and other sectors.

IP is defined as any creation or product of the human mind. It can be an invention, an original design, a practical application of a good idea, or a mark of ownership such as a trademark, and literary and artistic works, among others.

7. P500m counterfeit goods seized
(from Manila Bulletin, 31 August 2005)

Intellectual Property Office Director-General Adrian S. Cristobal Jr. said this is the result of the government's renewed campaign against violations of the IPR. Cristobal said that joint government efforts have seized a total of more than P500 million worth of pirated products and 241 pieces of medical books worth P500 million.

Among the products that were confiscated were counterfeit clothes bearing the labels of well-known international brands, shoes, watches, optical discs, computer software, communication supplies and even household goods. The campaign also led to the arrest of more than 150 persons.

Also, the IP team of the Bureau of Customs has reported that it has apprehended during the same six-month period a total of 163 containers full of counterfeit products at the ports in Metro Manila.

The BoC said that in one instance, it was able to intercept 476 rolls or 47,600 pieces of fake DVD movies that have been shipped in to the country through the Clark International Airport in Pampanga.

INDONESIA

News in August 2005

1. Microsoft to build research center in Indonesia

(from The Jakarta Post Newspaper, Indonesia, 1 August 2005)

Indonesia's top two technology institutes -- Bandung Institute of Technology (ITB) and Surabaya Institute of Technology (ITS), have signed a deal with the Microsoft Research Center Asia-Beijing on the setting up of a research center in the country.

The memorandum of understanding (MOU), hammered out during the recently concluded visit of President Susilo Bambang Yudhoyono to China, was a follow-up from an earlier meeting between Susilo and the U.S. software giant founder and CEO Bill Gates in Seattle.

The center is tasked with among others, formulating and producing affordable Windows applications for developing nations. By making its package more affordable, Microsoft is hoping to gradually help reduce software piracy in Indonesia and neighboring countries.

The planned center in Indonesia would be Microsoft's fifth after establishing similar bodies in the U.S., UK, China and India.

Under the MOU, ITS will concentrate its research at its campus on knowledge management, integrated systems, software applications development, and multimedia design focusing on marine technology, marine engineering, civil engineering and mechanical engineering.

2. Indonesia patent protection seen failing multinationals

(from Daily International Pharma Alert, 1 August 2005)

The international drug industry has continued to criticise patent protection in Indonesia. Recent developments have been mixed, with the authorities implementing some of the terms of TRIPS by the end of 2004, despite pledges to introduce the treaty by 2000. A copyright law, which was introduced in 2003, has been widely reported to be ineffective.

Nevertheless, this year US trade association PhRMA has opted not to lobby for Indonesia's inclusion on the Office of the US Trade Representative (USTR)'s list of countries where intellectual property rights are threatened. Although this should be seen as a positive sign, Indonesia remains on the USTR's list of "Priority Watch" countries, mainly due to widespread infringements in other industries.

In the recent past, the USTR has estimated that copy drugs account for up to 40% of the market, indicating the massive task the government faces in attempting to resolve the problem. A key problem is that despite the adoption of TRIPS provisions, the country's generally low-income population is reliant on low cost, copied drugs.

VIETNAM

News in August 2005

1. Vietnam registers trademark for tea in UK and US
(from Thai News Service, 4 August 2005)

Vietnam has registered trademark for its tea products in the United Kingdom and the United States, said Nguyen Van Thu, Vice President of the Vietnam Tea Association (Vitas). Vitas also is registering the trademark under the Madrid Agreement, according to Thu.

The trademark registration, Thu said, will help increase the competitiveness of Vietnamese tea products in the world market.

2. Vietnam protects fish sauce trademark
(from Thai News Service, 16 August 2005)

The fisheries ministry has recently issued regulations on the production of Phu Quoc fish sauce in order to protect the trademark from both domestic and international imitators. Deputy Minister of Fisheries Nguyen Thi Hong Minh said a number of fish sauce producers in the local market have stolen the Phu Quoc trademark, making and selling their own lower-quality fish sauce for lucrative profits. Some overseas producers in Thailand and Japan have done the same.

Under Government regulations, only fish sauce made and bottled on the island of Phu Quoc, off the south-western province of Kien Giang, can bear the Phu Quoc fish sauce trademark.

According to Nguyen Thi Tinh, chairwoman of the Phu Quoc Fish Sauce Producers' Society, only 6 per cent of fish sauce carrying the Phu Quoc trademark sold domestically is genuine.

Fish sauce needs trademark protection not only in traditional markets such as France, but also in growing outlets like Japan, Australia and the US, where the majority of overseas Vietnamese live, they said.

INDIA

News in August 2005

1. Fakes on the run
2. IP law gets a campus
3. India receives 1,312 patent applications for pharma products
4. India and Pakistan may apply for collective Basmati rice trade mark
5. India must improve IPR record to attract American investments
6. IP user India becoming IPR user

1. Fakes on the run

(from The Economic Times, 5 August 2005)

Many agricultural, food and related manufacturing products in the country which are famous for their geographical origin, are likely to get protection from fakes.

These items include saris made in Kota in Rajasthan, tea and eucalyptus oil from Nilgiris, tobacco from Guntur in Andhra Pradesh, cardamom from Alleppey, cashew nuts from Goa, shawls from Kulu, grapes from Nashik, Bhujia from Bikaner, Petha from Agra, and dolls from Tanjore.

The officials are asking the farmers and weavers to scientifically and legally document specifications like climatic and soil conditions so that they could be given the geographical indications (GI) protection. Other WTO nations can be asked to protect them only if they get GI protection in the home country.

The government is concerned that false claims of geographical origin has been taking its toll on the genuine producers who are not organised or marketing savvy to encash their brand value. Since GI protection can be given only to group of persons or associations representing the community, unlike the patent protection given to individual's innovations, it is necessary that the weavers, farmers and artisans come together to stake a claim. Besides, an agricultural scientist and a lawyer are required to make the scientific and legal documentation to prove the uniqueness of the product.

The GI Registry office is also employing NGOs to get the farmers and artisans organised.

The aim is to create a larger demand for the premium products among the discerning consumers willing to pay more for the taste. Protecting and marketing the reputation of these products will also help exports.

The six products already granted GI protection are Darjeeling tea, Pochempalli ekat, Chanderi sari, Kaancheevaram silk, Mysore agarbatti and Kotpad handloom fabrics.

2. IP law gets a campus

(from Hindustan Times, 13 August 2005)

Of the 600,000 lawyers in the US, 100,000 deal in intellectual property (IP) rights specifically. On an average, these legal eagles charge \$ 500 an hour. And the sector would be worth around \$ 100 billion.

In India, the number of IP lawyers would amount to, at best, a thousand. There's no organised association of this brand of lawyers. IIT alumni Vinod Gupta, best known for the Vinod Gupta School of Management (VGSM) at IIT Kharagpur, is now opening India's first school of intellectual law at his old campus in Kharagpur, to be called the Rajiv Gandhi School of Intellectual Law. The first batch goes to school in July next year.

That apart, by being part of the WTO India needs to protect its own IP rights -- the group of legal rights attributed to things people create or invent, and, typically, include patent, copyright, trademark and trade secret rights. "Look at what happened to the Basmati and the neem patents -- no one had a clue as to how to handle the patent rights," says Gupta. "I'm hopeful that the other

IITs are soon going to open exclusive IP law schools and increase the tribe of IP lawyers." And soon, India will probably no longer have to outsource the legal component of IP from the West.

3. India receives 1,312 patent applications for pharma products

(from Asia in Focus, 17 August 2005)

India has received 1,312 patent applications for pharmaceutical products, becoming only the second country after the US to get such a large number of requests. The US, which topped the list of countries that received patent applications for pharma products, received 2,111 applications.

4. India and Pakistan may apply for collective Basmati rice trade mark

(from Hindustan times, 18 August 2005)

Even as India and Pakistan are holding parleys to open up bilateral trade, the two countries may get Basmati rice registered under a collective trade mark in the World Trade Organisation's Geographical Indication (GI) System.

"We both (Pak and India) have no differences on the issue because both are the actual producers. We are accepting each other as Basmati producers, but the issue is how to register it whether with a unified trade mark or separate one. The trade officials of both the countries are looking into the implications of its registration in both ways that how it would be beneficial for both the countries," The Nation quoted a Pakistani official as saying.

The European Union had set June 30 as the last date for the registration of the goods to be exported into their markets. Since the deadline has already passed, and Pakistan said to be going slow over the issue, there is a feeling among Pakistani traders that India might get the trade mark separately, said the paper.

Under the GI system, the goods must be first registered in the country and then exported.

5. India must improve IPR record to attract American investments

(from The Hindu, 19 August 2005)

India should try to improve its maintenance of intellectual property rights (IPR) if it wants to attract more American investment in the biotechnology, pharmaceutical and clinical research sectors, Dr David C. Mulford, US Ambassador to India, has said.

This was one area that required concerted action, he said, addressing members of the Indian Chamber of Commerce and the Indo-American Chamber of Commerce on Thursday. He said both India and the US shared a major interest in science and technology and India had proved itself to be a world-class player in these sectors.

"As IPR protection improves, US companies will become major investors, contributing capital, top quality science and technology, global management expertise, and new jobs," Dr Mulford said. He appreciated the Indian Government's policy on the removal of fiscal and regulatory barriers among States with the help of VAT (value-added tax) across the country. He said the move would create a 'national market' for investors.

He criticised the Left for opposing the Union Government's disinvestment programme in profitable public sector units. He agreed that it was a politically difficult action as it could lead to

job cuts but added that it should be done to improve the national economy and the efficiency of the unit concerned.

6. IP user India becoming IPR user

(from Financial Express, 30 August 2005)

Union minister for commerce & industry Kamal Nath has said India is facing the challenge of graduating from being an intellectual property "user" to becoming an intellectual property rights (IPRs) user.

Through IPRs, industry, manufacturing and IT-enabled services would prosper and create more jobs, he said. Inaugurating India's first integrated IPR office building at Dwaraka here on Monday, the minister said, "with our heritage of traditional knowledge and creativity, rich biodiversity and huge technical and scientific manpower, we must harness our intellectual property capabilities for economic growth."

The new office in Delhi is the first to go on stream among a series of four virtually interlinked buildings in the metro cities. The new, modern offices in Kolkata and Chennai have also been completed, while that in Mumbai is being built.

Saying that the government is moving towards a transparent, web-enabled system for IPR filing and processing, the minister added that this would complement the "well-calibrated and credible" legislative changes made recently. While meeting the international obligations, adequate safeguards have been put in place to protect domestic interests. Mr Kamal Nath said increasing importance of IPR is evident from the increased filing in the Indian IP offices.
