

Monthly Report of December 2002

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THAILAND

News in December 2002

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1. Owners of good ideas can now get credit
(from Thai News Service, 3 December 2002)

The Intellectual Property Department has awarded the first 101 certificates to owners of local intellectual, trade secrets and brand names so that they can use these assets as collateral.

In order to support local industries, the Ministry of Commerce has started a new programme to award certificates to the owners of intellectual property such as brand names, trade secrets, folk techniques and geographical landmarks.

The owners of the intellectual property can then use these assets as collateral when requesting loans. The Intellectual Property Department is working on a fair method for appraising the value of the assets. The Ministry of Commerce has asked for the

cooperation of government banks to consider lending money to the certificate holders for business expansion.

2. New mechanism for IP dispute resolution

(from The Nation Newspaper, Business Section, Page 4B, Thailand, 4 December 2002)

Intellectual Property Department will open a new center for out-of-court settlements and set up an IP arbitration committee by the end of the year as an alternative dispute-solving mechanism to a mounting number of intellectual property abuse cases.

The department's center for alternative dispute resolution will concentrate on mediating, arbitrating and settling intellectual property cases to seek immediate mutually acceptable settlements.

The IP department is in the process of forming an arbitration committee to serve at the new center. The committee will be comprised of 40-50 experts in various areas. The skill of the arbitration can help both parties reach a solution in a short time whereas disputes settled in court often take more than one year.

3. Thailand to join Bern Convention

(from Bangkok Post Newspaper, Business Section, Page 4, Thailand, 11 December 2002)

Thailand is preparing to apply to join the Bern Convention in order to broaden the effectiveness and scope of copyright protection. As a member of the international treaty, Thailand would receive copyright protection in the form of national treatment, with member countries required to provide certain minimum protection for specific types of works.

The Intellectual Property Department will seek cabinet approval next month to bring the country into the international convention, signed in Bern, Switzerland in 1886.

Currently, Thai innovators need to submit applications to protect their patents and copyrights on a country-by-country basis, adding to their costs.

4. Disc manufacturing equipment targeted

(from Bangkok Post Newspaper, Business Section, Page 4, Thailand, 16 December 2002)

Envoys of countries supplying the equipment will be invited to a ceremony, at which 13 state agencies will pledge to unite in the crackdown, according to Deputy Commerce Minister Wattana Muangsuk.

Mr Wattana said the agencies would work under a single supervisory unit, leading to more effective enforcement. The government hopes the success of the operation will result in the country being removed from a watch list by the United States, and thus enjoy increased trade privileges.

Under the new co-operation pact, the Customs Department will also scrutinize and seize imported machines if they suspect the machines might be used to produce fake products.

5. G Patent is looking after cartoon copyrights

*(from Thai Daily Digest, 16 December 2002
Thai News Service, 16 December 2002)*

G Patent has expanded its business with a new contract to protect the copyrights of Animation International (Thailand). G Patent is a company that works to search out and prosecute manufacturers of products that violate copyright laws. G Patent hopes to sign on ten more clients in 2003. The company is currently negotiating with Nike, among others.

6. Royal patents under copyright protection

*(from Bangkok Post Newspaper, Home News Section, Page 2, Thailand, 18 December 2002
Thai News Service, 20 December 2002)*

The Intellectual Property Department together with the National Police Office have been protecting His Majesty the King's intellectual property. The Ministry of Commerce had reported to the Cabinet the activities of its Intellectual Property Department on the matter.

The department had issued patents for HM the King's innovations and art works, while disseminating information to business and the public on how to obtain royal permission to reproduce or replicate His Majesty's patented work. The department had monitored whether there had been any copyright violations of His Majesty's work relating to his pet dogs, Tongdaeng and her family.

7. Alleged fake Epson, HP products seized

(from Bangkok Post Newspaper, Database Section, Page 1, Thailand, 18 December 2002)

The Royal Thai Police Suppression of Intellectual Property Infringement Division recently raided retail offices and a warehouse of a company allegedly selling counterfeit Epson and Hewlett Packard products.

They seized nearly 3,000 items of undetermined value. The manager of the company has been charged with criminal trademark infringement offences that carry a maximum penalty of four years' imprisonment or a fine of 400,000 baht or both.

8. Malls given 40 days to remove fakes

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

Shopping mall owners have 40 days to clear pirated goods from their stores or face criminal charges and potential jail time, according to government officials. Electricity utilities are also considering shutting off power to companies used to produce pirated software or goods violating intellectual property laws.

9. Foreign firms say their CD prices can't fall any further

*(from Bangkok Post Newspaper, Business Section, Page 3, Thailand, 24 December 2002
The Nation Newspaper, Business Section, Page 4B, Thailand, 24 December 2002)*

International music companies say they won't cut their CD prices any further, despite a pledge by GMM Grammy Plc to trim its local CD prices by another 20% if the government can curb piracy.

They said reducing prices further would only hurt them as they had to pay higher copyright fees to their parent firms in overseas.

"If the government steps up effort to crack down on piracy, next year we may see the music industry growing," said Nadda Buranasiri, managing director of Universal Music Thailand Co. He said the more CD prices were cut, the more music firms suffered, so that even a larger number of copies sold could not offset previous sales losses.

The international music market is worth about 900 million baht, a sharp decline from 1.6billion in 1994-95.

10. Net café deal

(from Bangkok Post Newspaper, Database Section, Page 1, Thailand, 25 December 2002)

Microsoft (Thailand) is now offering monthly licence subscriptions for Internet café operators to enable them to legally use the company's software.

Microsoft is seeking monthly subscription fees of the equivalent of US\$12, plus VAT, and expects some 3,000 Internet cafes here will participate in the programme. For this, the operators will get the right to use Microsoft software including Microsoft Office Standard edition and the latest desktop OS upgrade during the period of contract.

PEOPLE'S REPUBLIC OF CHINA

News in December 2002

1. Intellectual property assessment company set up in Shanghai
2. Chinese DVD player makers frequently asked to pay patent fees
3. Shanghai real estate firms register 85 trademarks
4. Top judge says Chinese courts' functions expanded
5. Philips wins case
6. Tianjin authorities destroy 600,000 pirated disks

1. Intellectual property assessment company set up in Shanghai

*(from Xinhua News Agency Bulletin, 16 December 2002
Xinhua's China Economic Information Service, 18 December 2002)*

An intellectual property assessment company was set up recently in Shanghai of east China to meet the demand of a rising number of intellectual property transaction in the city. The Shanghai Intellectual Property Assets Assessment Company aims to give fair evaluations on patents, registered trademarks and software and other copyrights, in order to encourage cooperation between intellectual property and monetary capital, thus accelerating the development of the “knowledge economy” in the city.

The assessment company will work in accordance with international principles and Chinese laws to protect the rights of owners of intellectual property, and so to encourage them to develop new technologies.

2. Chinese DVD player makers frequently asked to pay patent fees
(from *Sinofile Chinese News Abstracts & Translations*, 17 December 2002)

After being forced to pay patent licensing fees to foreign enterprises for the export of DVD players, Chinese DVD player makers are being asked to pay a \$12 patent fee to 6C for each DVD player produced and sold in China starting Jan.1, 2003. According to an estimate, the global demand for DVD players will be 40m, of which DVD players made in China account for 90%.

3. Shanghai real estate firms register 85 trademarks
(from *China Business Information Network*, 19 December 2002)

The Shanghai Industrial and Commercial Bureau announced in Shanghai on December 17 that between July and November, 85 real estate trademarks were registered in the city. In July, Shanghai industrial and commercial departments launched a trademark promotion campaign for the real estate sector.

At that time, a total of 62 real estate groups voluntarily joined the campaign, including both state-owned enterprises and private companies, and by the end of November, 44 companies had registered 85 real estate trademarks.

Up to November, only 198 trademarks out of the city’s total 63,600 registered trademarks were categorized as “high-profile” brand names. However, no real estate trademarks were on that list. Therefore, to boost industry returns insiders have called for real estate operators to raise the profile of their trademarks as soon as possible.

4. Top judge says Chinese courts’ functions expanded
(from *Xinhua News Agency Bulletin*, 22 December 2002)

Chinese courts have begun to handle cases such as Internet-related crimes and disputes over intellectual property rights in new technology development and in the stock market over the past five years, said China’s top judge.

Xiao Yang, president of China's Supreme People's Court, said that Chinese courts have been expanding their trial functions to meet the situation brought about by the development of the socialist market economy and China's accession to the WTO.

The new civil suits consist mainly of computer-or Internet-related crimes, fraudulent statements at the stock market, competing registrations of domain names, and the use of fraudulent trademarks, while intellectual property disputes occur mainly in the development of software, biotechnology and new plants. There are also cases on anti-dumping and anti-subsidy, and disputes telecommunications, postal and other fields.

5. Philips wins case

(from Sinofile Chinese News Abstracts & Translations, 26 December 2002)

Philips sued the Reexamination Committee of the State Intellectual Property Rights Bureau in Beijing No.1 Intermediate People's Court over a mistake in the approval of a design patent for a shaver which looks like a shaver produced by Philips. The court ruled in favor of Philips and said the design for this shaver is similar to that of Philips.

6. Tianjin authorities destroy 600,000 pirated disks

(from China Business Information Network, 30 December 2002)

Authorities in the northern port city of Tianjin have destroyed some 600,000 video disks in a move to show their determination to protect intellectual property rights. These illegal products were crushed to dust by two disintegrators at the compound of the public security squadron under the Tianjin Municipal Public Security Bureau. 20,000 disks contained pornographic material. The disks had been seized in mid-September from a cargo train originating in Guangzhou, capital of south China's Guangdong Province.

HONG KONG

News in December 2002

1. Survey finds higher public awareness of IPR in HK
2. Schoolgirls arrested for running piracy firm

1. Survey finds higher public awareness of IPR in HK

(from Xinhua News Agency Bulletin, 3 December 2002)

A recent survey revealed that the people of Hong Kong are increasingly aware of intellectual property rights with less and less people claiming to be buying and using pirated and counterfeit products.

“It is encouraging to see a growing respect for intellectual property rights and that people claim they are refusing to buy and use infringing products,” Stephen Selby, director of Intellectual Property Department said.

The fourth annual survey commissioned by the Intellectual Property Department showed that 49.1 per cent of the respondents claimed that they did not buy, and 44.2 per cent of them did not use pirated or counterfeit goods.

2. Schoolgirls arrested for running piracy firm
(from *South China Morning Post*, 24 December 2002)

Two 16-year-old schoolgirls were arrested by Customs officers for using a US-registered Web site to advertise their business in pirated discs. The Web site was designed by one of the girls and operated from their homes in Hong Kong. However, they registered it with an Internet service provider in the United States in an attempt to evade authorities here.

The girl advertised pirated discs of Japanese TV dramas at \$10 apiece on the Web site and provided free entertainment news to attract visitors, according to Chong Wai-ming, the copyright investigation division commander.

MALAYSIA

News in December 2002

1. IMR patents innovations in five countries and EU
2. Additional enforcement officers to combat piracy in Sabah
3. Copying machines, pirated discs worth RM4m seized
4. Pirated VCD traders use sacks for quick getaway
5. Imitation printer cartridges seized

1. IMR patents innovations in five countries and EU
(from *New Straits Times Newspaper, Malaysia*, 15 December 2002)

The Institute for Medical Research is patenting five of its innovations – all for public health use – in five countries and the European Union. Last month, patents were filed for two test kits for insecticide resistance, one test kit for insecticide poisoning in humans, an insecticide-laced wall paint and the production process for an eco-friendly mosquito killer. The patents were filed in Malaysia, China, Japan, Australia, the United States and the EU.

The pursuit of patents for scientific findings from a government research centre like the IMR is a departure from tradition but falls in line with the borderless future expected as WTO rules come into force.

2. Additional enforcement officers to combat piracy in Sabah

(from Bernama Daily Malaysian News, 19 December 2002)

Fifty additional enforcement officers have been appointed by the Domestic Trade and Consumer Affairs Ministry in Sabah in the bid to eradicate distribution and sale activities of pirated VCDs in the state.

Its Director Rosli Ahmad said the 50 newly-appointed officers would be placed at nine ministry branches throughout the state with attention focused on efforts to restrict the entry of pirated VCDs at the airport and port.

Operations would also be launched at open markets and premises. Last month, the ministry received two cases which involved the delivery of 30,000 pirated VCDs involving the Sandakan airport.

3. Copying machines, pirated discs worth RM4m seized

(from New Straits Times Newspaper, Malaysia, 24 December 2002

Malay Mail, 24 December 2002)

The Selangor Domestic Trade and Consumer Affairs Department seized two copying machines and 12,000 copies of pirated VCDs and CDs worth more than RM4 million. A team of 20 enforcement officers was involved in the four-hour operation which started about 5pm. No arrest was made during the raid at the factory at the Pulau Indah industrial park. Operation director Mohd Roslan Muhayuddin said the workers were believed to have fled when the officers arrived at the scene.

4. Pirated VCD traders use sacks for quick getaway

(from New Straits Times Newspaper, Malaysia, 24 December 2002)

Pirated VCD and DVD traders are using a new method to escape from enforcement officers, said State Domestic Trade and Consumer Affairs Department director Fahmi Kasim. He said the traders operating along the Batu Ferringhi beach were selling the VCDs and DVDs on a table with a sack.

The traders, he said, had also hired "tontos" (spies) to monitor the movement of enforcement officer from the vicinity of the department's office in Bangunan Tunku Syed Putra in Lebuhraya, George Town, to their homes.

The suspect was arrested when he was boarding a ferry to Medan at 8am. The case is being investigated under the Price Control Act 1946 and Copyright Act 1987.

5. Imitation printer cartridges seized

(from New Straits Times Newspaper, Malaysia, 25 December 2002)

Imitation printer cartridges, worth about RM1.8 million, were seized from a Bukit Beruntung warehouse where they were awaiting distribution. State Domestic Trade and

Consumer Affairs Department found the imitation cartridges bearing the brandnames Hewlett Packard and Canon. The department's director Zainal Abidin Mohd Nordin said the cartridges had just arrived from a foreign.

VIETNAM

News in December 2002

1. Agri Ministry urges trademark registration for fruit and Agro products
2. Vietnamese business still lacks brand awareness

1. Agri Ministry urges trademark registration for fruit and Agro products
(from Vietnam News brief Service, 3 December 2002)

The Ministry of Agriculture and Rural Development (MARD) has ordered companies to register trademarks for their fruit and agro products to protect their names in the world market, a seminar entitled "Promoting Goods and Building Farm Produce", co-organised by the ministry and the Vietnam Chamber of Commerce and Industry (VCCI) in the Mekong Delta province of Can Tho was told.

Although agricultural products have made a large contribution to Vietnam's economy and exports and account for more than half of the region's GDP, few have been registered. As a result, foreign firms have registered many Vietnam's trademarks, such as the US's Kim Seng Co. registering the traditional Phu Quoc fish sauce in California in February 1998, and the Rice Field Corp. doing the same with the popular Trung Nguyen coffee name in November 2000. Nang Thom, Cho Dao and Nang Huong rice are also being sold abroad under trademarks registered in Thailand, Taiwan and Hong Kong.

One of the main reasons is that enterprises do not realize the importance of trademarks. Hoang Gia-Vinh Long is the only Mekong Delta firm that has registered a trademark for its Nam Roi sweet grapefruit.

2. Vietnamese business still lacks brand awareness
(from Xinhua News Agency Bulletin, 3 December 2002)

A recent survey in Vietnam showed that up to 70 per cent of interviewed Vietnamese firms had not adequately invested in trademarks and 20 per cent had never paid for trademark promotion activities.

The survey, conducted by the High Quality Vietnamese Product Businesses Club on 500 local enterprises as part of a project designed to help businesses build up trademarks, highlighted a weakness common to most of the country's firms when turning to international trade.
