

Monthly Report of December 2004

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THAILAND

News in December 2004

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11. Data protection change shelved pending talks
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1. Police squads bust pirate disc vendors

(from Bangkok Post Newspaper, Home News Section, Page 7, Thailand, 1 December 2004

Post Today Newspaper, Home News Section, Page A8, Thailand, 1 December 2004

Krung Thep Thurakit Newspaper, Bangkok News Section, Page 20, Thailand, 1 December 2004)

More than 200 policemen raided shops in the Klong Thom and Ban Mo areas and seized over a million pirated CDs, VCDs and DVDs at the start of a 90-day campaign to stamp out their illegal manufacture and distribution.

Pol Col Adul Narongsak, head of the prime minister-appointed commission to prosecute intellectual property violators, said the bust netted music and movie discs that were mostly pirated. The commission said that there are at least 50 disc factories around the country, most of them in Bangkok and nearby provinces.

Pol Col Adul said the border patrol police were deployed for the job because the commission did not trust the city police to provide sincere cooperation as this has been the case in the past. He said it was no secret that local politicians and influential figures were behind the illegal production of pirate discs.

2. Counterfeits crushed

(from The Nation Newspaper, Local News Section, Page 4A, Thailand, 3 December 2004

Krung Thep Thurakit Newspaper, Economic Section, Page 5, Thailand, 3 December 2004)

The workers spread out some of the 32,120 confiscated pirated CDs to be steamrollered during an official disposal ceremony at Hat Yai customs office in Songkhla province. The CDs were seized during operations against copyright piracy in Songkhla in July and August.

3. Legislation to stamp out CD piracy 'at its roots'
(from *Thai News Service*, 8 December 2004)

The Ministry of Commerce is preparing legislation which the government hopes will root out CD piracy. The Intellectual Property Department was liaising with the private sector to launch a sustained crackdown on counterfeiting operations.

The Intellectual Property Department hopes to bring an 80 percent reduction in the number of counterfeit CDs being produced in 12 specially targeted 'red areas' nationwide. But Mr Thienchai Pinwiset, legal services director for the Motion Picture Association (Thailand), pointed to widespread counterfeiting operations despite more stringent anti-piracy measures.

The problem, according to Mr Thienchai, is no longer one of price, as the price of legal CDs has been reduced in an attempt to stamp out piracy. Consumer, however, continue to prefer pirated CDs as they appear before the legal copies and are uncensored.

4. Herb to be protected from exploitation
(from *Bangkok Post Newspaper*, Home News Section, Page 8, Thailand, 8 December 2004
Post Today Newspaper, Today's News Section, Page A3, Thailand, 8 December 2004
Krung Thep Thurakit Newspaper, Education Section, Page 11, Thailand, 8 December 2004)

A public Health Ministry has plans to protect the local medicinal herb *kwaa khrua*, or *Peuraria candollei*, from exploitation by other countries. The exploitation of the herb came to a head last month after biodiversity advocates and intellectual property law experts revealed that Japanese companies had obtained patents for the plant from the United States two years ago.

The planned regulation would focus on protection of three types of *kwaa khrua* – white, red and black. The ministry also planned to put eight more herbal plants on the protection list but further studies were needed first by the Ministry of Agriculture and Cooperatives and the National Centre for Genetic Engineering and Biotechnology.

5. Huge fake shoes, handbags haul
(from *Bangkok Post Newspaper*, Home News Section, Page 6, Thailand, 9 December 2004
Post Today Newspaper, Today's News Section, Page A2, Thailand, 9 December 2004)

The Justice Ministry's Department of Special Investigations and police raided a warehouse on Rama II road and seized more than 150,000 pairs of shoes and 500 counterfeit brandname handbags, the biggest find of its kind.

Justice permanent secretary Somchai Wongsawas said the merchandise carried brandnames such as Nike, Adidas, Puma, Chanel and Christian Dior, and the goods were worth more than 100 million baht. The goods were imported from China by a country in Prawes district with a group of Chinese people acting as agents.

6. Dirty disc crackdown

*(from Post Today Newspaper, Today's News Section, Page A2, Thailand, 18 December 2004
Krung Thep Thurakit Newspaper, Bangkok Political Section, Page 12&9, Thailand, 18 December 2004
Bangkok Post Newspaper, Business Section, Page B4, Thailand, 20 December 2004)*

Border patrol police examine a haul of pirated VCDs, DVDs and pornographic books at Fortune Tower on Ratchadapisek Road, following a raid conducted by a special unit of the Office of the Prime Minister.

7. Govt encourage to protect IPRs

*(from Thai News Service, 22 December 2004
Krung Thep Thurakit Newspaper, Commerce Section, Page 7, Thailand, 22 December 2004)*

The Intellectual Property Department has drawn up plans for next year, which will encourage Thai people to be more inventive, while encouraging them to protect their own intellectual property rights. The DIP also intends to offer training to 1,000 members of the general public wishing to start up their own business plans, while coordinating with other agencies to offer training for entrepreneurs whose bids for loans have so far been unsuccessful.

At the grassroots level, local producers will be encouraged to see the importance of protecting their own intellectual property rights, with the department's mobile units traveling to the provinces to offer advice.

At a wider level, the department will encourage the creation of intellectual property networks, whose representatives will help spread information about the protection of intellectual property. These plans to promote and create innovation and develop Thai knowledge in various forms will encourage the people to create new intellectual property and register their rights.

8. Legal protection planned for Jasmine rice

*(from Bangkok Post Newspaper, Home News Section, Page 5, Thailand, 20 December 2004
Thai News Service, 22 December 2004)*

The Department of Agriculture and the Intellectual Property Department have joined hands in bringing the jasmine rice native to Surin and Thung Kula Ronghai under the protection of the geographical indicator law.

Laddawan Kannuch, of the Rice Research Institute, said registration of the two strains of fragrant rice under the law was expected to be completed by next year. The law, enforced on April 28, would be useful for patenting purpose for rice indigenous to various localities. But the source of rice production would be examined before the crop is registered.

Ms Laddawan said the law would also be invoked to protect other breeds of rice such as the Khao Jao Sao Hai of Saraburi, Khao Sang Yod of Phatthalung and Khao Niew Kiew Ngoo of Lampang.

9. More hybrid plants listed

*(from The Nation Newspaper, Local News Section, Page 6A, Thailand, 21 December 2004
Krung Thep Thurakit Newspaper, Agriculture-Commerce Section, Page 7, Thailand, 21 December 2004)*

Plant breeders have registered eight new hybrids, boosting the patent list for new species to 39. The registered plant hybrids would receive due protection and their breeders would retain exclusive rights to their newly developed plants, said Wicha Thitiprasert, director of the Plant Species Protection Division.

The new plant hybrids include 26 varieties of orchid, six varieties of maize, two varieties of water melon as well one each of mango, sugarcane and rice. The protection period for hybrid registered under the 1999 Plant Species Protection Act varies from species to species with corn enjoying the longest, 12 years.

10. Pirated CD crackdown

*(from Bangkok Post Newspaper, Home News Section, Page 4, Thailand, 22 December 2004
Krung Thep Thurakit Newspaper, Commerce Section, Page 7, Thailand, 22 December 2004)*

Cabinet has approved in principle a budget of 13 million baht for police in six areas of Bangkok and Chiang Mai, Phuket, Surat Thani, Pattaya and Songkhla to crack down on pirated CDs. Deputy government spokeswoman Sansanee Nakpong said the crackdown would focus on bootleg CD production sources, warehouses and stores and last until September next year. Prime Minister Thaksin Shinawatra had asked police to start the crackdown immediately.

11. Data protection change shelved pending talks

(from Bangkok Post Newspaper, Home News Section, Page 6, Thailand, 23 December 2004)

Pakdee Pothisiri, secretary-general of Food and Drug Administration, said Protection of intellectual property rights, including for drugs, was part of the talks. The regulation should be in line with whatever resulted from the negotiations.

Talks on the draft focused on the data protection period after a new chemical identity is registered. The ministerial regulation attempts to protect drug formulas registered with the FDA for two years. But drug companies disagreed with details of the regulation and sought ways to extend the protection period.

12. Ministry to patent certain Thai cultural practices

(from Thai News Service, 29 December 2004)

The Culture Ministry is going to move with urgency to patent the country's cultural heritage after Cambodia recently patented the dancing posture jeeb despite the fact that the posture is also common in Thai dance. They would seek patents to protect our heritage.

All provincial culture offices would be ordered to conduct surveys at the village level to look for local cultural forms that might be on their way to extinction. They also plan to ask for help from higher-education institutes.

The ministry would register local literature, local performance arts, Thai boxing and other cultural forms with the Intellectual Property Department.

PEOPLE'S REPUBLIC OF CHINA

News in December 2004

1. Law made to protect Expo emblem
2. China regulator fines 2 domestic firms
3. Rights and the poor
4. Protecting well-known trademarks
5. DJ official defends China's record on copyright protection
6. China, Italy ink MoU on intellectual property in Beijing
7. China's telecom giant wins intellectual property rights case
8. Chinese product piracy hitting German firms-survey
9. Some 80 million-HK dollar goods seized in HK in copyright drive
10. Most urban Chinese buying pirated publications
11. Number of China registered trademarks top 2mln
12. Beijing police crack down on counterfeiters
13. Firms need IPR management help
14. China courts to review interpretation of IPR-related crimes
15. GM Daewoo sues China's Chery automobile over alleged car design copying
16. Newly-developed rat poison awarded state patent
17. China handles 1,710 IPR violations over past four years
18. HK, Guangdong to promote IPRs protection
19. Honda wins "Hongda" logo suit in China
20. Japan, China, Skorea to unify property rights, patent systems
21. Osaka firm wins in Shanghai Court on Massage Chair patent
22. Intellectual property pact signed
23. Nike kicks up fuss in China again with cartoon ad

1. Law made to protect Expo emblem
(from *Business Daily Update*, 1 December 2004)

China is moving to protect intellectual property connected to the Shanghai World Expo. As the new emblem for the 2010 Shanghai World Expo was revealed, new codes to protect it were also unveiled.

The World Expo Emblem Protection Codes take effect today in China. They protect the Expo's name, emblem, mascot and theme song. It is the first time China develops legislation to protect the intellectual property rights of a single large-scale international event.

Infringement activities will actively prosecuted, pirated commodities confiscated and destroyed, and income earned from such activities seized. A fine as high as five times that of the illegal income could be levied as well.

2. China regulator fines 2 domestic firms
(from *AFX Asia*, 3 December 2004
Xinhua Financial Network News, 3 December 2004
Post Today Newspaper, International Economic Section, Page A12, Thailand, 7 December 2004)

The National Copyright Administration of China has fined two Chinese companies for making pirated copies of a Microsoft operating system recovery CD-ROM. The two Chinese companies, Beijing Central Press Union Digital Technology Co and Tianjin Minzu Culture CD Co Ltd, were

fined a combined fine 90,000 yuan. The country's intellectual property rights regulator launched the investigation in June this year at Microsoft Inc's request.

3. Rights and the poor

(from Shanghai Daily, 6 December 2004)

At a recent seminar in Shanghai, legal professionals of multinational corporations agreed that China's legislation for intellectual property protection conforms to its WTO commitment. The lawyers acknowledged that in certain cases China's laws are even better than those of some industrialized countries like Japan. But many criticized the poor enforcement of IP protection laws in China.

The critics focused on four aspects: poor administrative enforcement; inefficient civil proceedings; weak criminal punishment; and non-transparency. Chinese lawyers, on the other hand, argued that multinational corporations abuse IP rights to squeeze out their domestic competitors and grab the market.

4. Protecting well-known trademarks

(from Business Daily Update, 6 December 2004)

The country's trademark watchdog has stepped up its efforts to improve the administration of trademarks, protecting their exclusive rights of use and maintaining the reputation to well-known brands.

The State Administration for Industry and Commerce and its local branches conducted a nationwide campaign from mid-July to September, targeting trademark violators. The campaign has cracked down on more than 7,770 trademark violations and shut down around 1,150 factories and workshops making fake products.

5. DJ official defends China's record on copyright protection

(from Dow Jones Chinese Financial Wire, 7 December 2004)

China has stepped up its crackdown on fake goods. China's WTO membership requires the country to boost protection of intellectual property rights, but the US says Beijing still has not effectively tackled rampant counterfeiting because of lax law enforcement.

Trademark protection official Ouyang Shaohua said officials investigated 17,660 cases of trademark violations in two sting operations this year. He said greater force was applied in these two operations than in past years.

But the figures also showed only 65 cases were referred to prosecutors. Ouyang also said officials have tightened rules in Shanghai and Beijing, treating any purported luxury goods being sold in non-authorized outlets as suspected fakes.

6. China, Italy ink MoU on intellectual property in Beijing

(from Xinhua News Agency, 7 December 2004)

BBC Monitoring Asia Pacific, 7 December 2004

Xinhua's China Economic Information Service, 8 December 2004

China Daily, 8 December 2004)

China and Italy signed a memorandum of understanding (MoU) on intellectual property. The MoU was signed between the China Council for the Promotion of International Trade and the Italian Trade Commission.

This is the first time for the non-governmental Chinese trade promotion body to sign an intellectual property memo with other countries. In an era of knowledge-based economy, Italy and China share the objective on the protection of intellectual property.

China Italy are said to sign a detailed agreement soon. With this agreement, both sides will offer companies information on the related law, help with trade mark registration and hold seminars on intellectual property protection, laws and rules on fighting fake commodities.

7. China's telecom giant wins intellectual property rights case

(from Xinhua News Agency, 7 December 2004

Xinhua's China Economic Information Service, 8 December 2004)

China's telecom giant, Huawei Technologies co., won an infringement case against its former employees. Shenzhen Nanshan District People's Court sentenced the three defendants, Wang Zhijun, Liu Ning and Qin Xeuejun to two to three years in prison and they were fined for up to 50,000 yuan each.

The three defendants had worked on optical network technology development in Huawei and had access to company-own technologies. They each resigned, claiming that they were returning to school in November 2001. Instead the men founded a company in Shanghai with 500,000 yuan of investment, Shanghai Huke Company.

They also hunted and employed about 20 technology developers from Huawei. Within half a year, they began to promote optical network products similar with those of Huawei across the country.

8. Chinese product piracy hitting German firms-survey

(from Reuters News, 8 December 2004)

German firms are suffering more and more from Chinese piracy of products ranging from luxury goods to chemicals and even entire cars. Of 38 large and well-known German companies asked by Germany's chambers of industry and commerce to complete a detailed questionnaire on Chinese product piracy, 73 per cent said the problem had got worse in the past two years.

Although China joined the WTO in 2001 and signed up to regulations protecting intellectual property rights, the Asian nation is still home to widespread product piracy controlled by organized criminal gangs. Only 5 per cent of respondents Intellectual Property he study reported a reduction in piracy, while the remainder said there had not been any discernible change.

9. Some 80 million-HK dollar goods seized in HK in copyright drive

(from Xinhua News Agency, 11 December 2004

BBC Monitoring Asia Pacific, 12 December 2004)

Some 80 million-HK dollar goods have been seized since the Intellectual Property Rights Protection Alliance was set up in March this year, Hong Kong's Deputy Commissioner of Customs and Excise Lawrence Wong said.

He said the copyright drive had resulted in the arrest of 836 people and the crackdown of 760 infringing copyrights cases. The alliance, formed by the department and the trade, has fostered co-operation and speedier communication on trademark identifications, he added.

He pointed out that they need the full support of the public for their respect for intellectual property rights, as well as their resolved refusal to purchase and use pirated and counterfeit goods.

10. Most urban Chinese buying pirated publications

(from Xinhua's China Economic Information Service, 13 November 2004)

Nearly half of Chinese people nationwide have bought pirated publications in the past five years, according to a survey. About 56 per cent of Chinese urban residents bought pirated publications in 2003, which was almost equal to that of 1998. The percentage of rural residents who have bought pirated publications rose to 42.3 per cent in 2003.

The survey showed that pirated audio-visual products were the most popular type of pirated publications bought by Chinese, followed by books and then software. The result of the current survey are based on three million groups of data from 6,000 valid samples collected since the end of 2003.

11. Number of China registered trademarks top 2mln

(from Asia Pulse, 13 December 2004

Business Daily Update, 13 December 2004)

More than two million trademarks have been registered officially – proof that IPR laws are having an effect, claims the State Administration for Industry and Commerce. The rapid increase in the number of registered trademarks could be attributable to the improving condition of protecting trademarks, said the administration.

And more than 25,000 trademark infringement cases have been handled this year, with 3,488 cases related to foreign or overseas trademarks, said the administration, which announced that 2.2 million had been recorded to date.

12. Beijing police crack down on counterfeiters

(from China Daily, 15 December 2004

Asia Pulse, 15 December 2004)

Beijing police seized huge amounts of counterfeit paper, busting an operation that took advantage of well-known label to profit off its trademark. The Beijing Public Security Bureau said that boxes upon boxes of paper with the “Flagship” brand name were seized.

It is the first big success in the city's ongoing campaign to crack down on the “black economy” of counterfeiting, which has been on the rise in recent years. The one-year-long crackdown, started in November, will target counterfeiters hurting multinationals by faking their brand names.

Police confiscated more than 200 boxes of paper branded “Flagship”, 67,560 sheets of inner covers, two packing machines, and 14,124 yuan in cash.

13. Firms need IPR management help

(from China Daily, 16 December 2004

Business Daily Update, 16 December 2004)

A senior Chinese intellectual property official said China has pledged to help small and medium sized enterprises reinforce their management of intellectual property rights as a way to sharpen their competitive edge in the world market.

Li Yuguang, deputy director of the State Intellectual Property Office, said that intellectual property use and management should be written into business plans and development strategies.

14. China courts to review interpretation of IPR-related crimes

(from China Daily, 16 December 2004

AFX Asia, 16 December 2004

Associated Press Newswire, 16 December 2004

Bangkok Post Newspaper, Business Section, Page B5, Thailand, 22 December 2004

South China Morning Post, 22 December 2004

Reuters News, 22 December 2004

The Wall Street Journal Europe, 22 December 2004

Financial Times, 22 December 2004

Xinhua's China Economic Information Service, 22 December 2004

Krung Thep Thurakit Newspaper, World Business Section, Page 38, Thailand, 23 December 2004)

China courts are planning a new interpretation of intellectual property rights related crimes. Citing Supreme People’s Court justice Li Xiao said the judicial review concerns convictions and appropriate penalties, and will also consider issues such as online piracy and other matters.

It will take time to develop the best strategy to tackle IPR crime. Police departments are concurrently launching the “Eagle Programme,” a year-long crackdown on crimes related to brands or intellectual property. Citing statistics from the Economic Criminal Investigation Department of the Ministry of Public Security, it said more than 500 IPR-related cases were put on record, involving 260 mln yuan, during the first half of this year.

15. GM Daewoo sues China’s Chery automobile over alleged car design copying

(from Xinhua Financial Network News, 17 December 2004

Financial Times, 17 December 2004

China Daily, 18 December 2004)

The South Korean subsidiary of General Motors Corp is suing Chinese automaker Chery Automobile Bo Ltd for copying the design of one of its mini cars. GM Daewoo Auto and Technology Company accuses Chery of illegally copying the design of its Daewoo Matiz and Chevrolet Spark cars in an intellectual property action filed in a Shanghai court.

GM Gaewoo filed a separate petition to invalidate certain design patents held by Chery. GM Daewoo said it turned to the court after year-long efforts to resolve the conflict through mediation failed.

16. Newly-developed rat poison awarded state patent

(from Xinhua News Agency, 17 December 2004

Xinhua's China Economic Information Service, 20 December 2004

Krung Thep Thurakit Newspaper, Innovation Section, Page 10, Thailand, 23 December 2004)

A new rat poison, which reduces rat populations by making male rats sterile, obtained a patent from the state intellectual property rights protection authority recently. The rat poison was developed by Ye Wenhui, a standing committee member of the Genetics Society of China and a part-time professor of Fudan University in Shanghai. Its main ingredient is tripterygium wilfordii, a kind of traditional Chinese medicine.

The rat poison is fragrant and attractive to the rodents. After eating the toxicant, male rats will produce less sperm and finally become sterile, because the poison limits the lactic dehydrogenase inside testicle of a male rat.

The rat poison has been approved for sale in Australia. Some other countries including Vietnam, Canada, India and the United States have also placed orders for purchase.

17. China handles 1,710 IPR violations over past four years

(from Xinhua's China Economic Information Service, 22 December 2004)

Chinese courts handled a total of 1,710 cases related to intellectual property rights violation cases from 2000 to November 2004, up 56.42 per cent from the same period of last three years. From January 2002 to October 2004, China's courts had concluded 2,171 cases related to produce and sell fake products, most of which also involved IPR infringements.

The vice-president of the Supreme People's court, Cao Jianming, said the figure demonstrated that China had strengthened efforts to crack down on IPR infringement issues, since it entered the WTO.

18. HK, Guangdong to promote IPRs protection

(from Business Daily Update, 22 December 2004

The Standard, 22 December 2004

Xinhua's China Economic Information Service, 22 December 2004)

Hong Kong and Guangdong have agreed to enhance and promote the "No Fakes Pledge" campaign. The two sides also agreed to organize a new seminar on intellectual property and the development of small and medium enterprises in Guangdong Province, and to enrich the content of the intellectual property database for Guangdong, Hong Kong and Macao website.

A new TV announcement of public interest, "No Fakes Pledge" has started broadcasting in Guangdong and Hong Kong on Tuesday 21.

19. Honda wins "Hongda" logo suit in China

(from Jiji Press English News Service, 23 December 2004

Daily Yomiuri, 23 December 2004

Kyodo News, 23 December 2004)

Japanese automaker Honda Motor Co. has won a court order forcing a major Chinese motorcycle maker to stop using “HONGDA” logos on its products and to pay 1.47 million yuan in compensation.

According to Honda, the compensation, approved by a district court in Beijing, is believed to be the biggest amount to be paid to a foreign company in China in lawsuits involving intellectual property rights for automobiles or motorcycles. In China, Honda has launched over 10 other intellectual property infringement lawsuits.

20. Japan, China, Skorea to unify property rights, patent systems

(from Xinhua Financial Network News, 27 December 2004)

Japan, China and South Korea will shortly start work to integrate their industrial property rights systems, in a bid to help facilitate trilateral trade.

The step will focus on simplifying their patent application procedures as well as unifying their application screening systems, mainly because Chinese authorities have been delaying in screening the surging number of Japanese and South Korean patent applications in China, adding that the number of counterfeit products in China is also growing, posing a problem for the related parties.

The three countries aim to reduce these problems by integrating their systems and lessening the corporate burdens in patent applications.

21. Osaka firm wins in Shanghai Court on Massage Chair patent

(from Nikkei Report, 29 December 2004)

A Shanghai Court has ruled in favor of Osaka-based Family Co. in a patent infringement case against a Chinese firm regarding an electric massage chair. The court handed down Dec. 1 a provisional injunction ordering the Chinese firm, which is located in Taizhou, Zhejiang Province, cease production and sales of the concerned massage chair.

The court recognized Family’s patent claims for an optical sensor system that detects the location of the shoulders when a user sits in the chair. The chair produced by the Chinese firm has been sold in China and has also been exported to Asian markets, as well as to the U.S. and Europe.

22. Intellectual property pact signed

(from South China Morning Post, 30 December 2004)

An agreement to co-operate in the fight against the theft of intellectual property was signed by pan-Pearl River Delta provinces in Guangzhou. Under the deal, the nine provinces will step up joint efforts to protect intellectual property, the transfer of skills relevant to franchised businesses, as well as promotion and training.

The provinces also agreed to implement a new administrative mechanism to co-ordinate the enforcement of intellectual property rights next year. Hong Kong and Macau, which were also represented at the meeting, had also agreed to implement the new administrative mechanism next year. Intellectual property lawsuits filed in Guangdong account for one-sixth of the nation’s entire caseload at present.

23. Nike kicks up fuss in China again with cartoon ad

(from Reuters News, 30 December 2004

South China Morning Post, 31 December 2004

Xinhua Financial Network News, 31 December 2004

Bangkok Post Newspaper, Business Section, Page B5, Thailand, 31 December 2004)

Infamous for pirating everything from watches to software – and Nike shoes – China does not usually level copycat charges. But a Beijing court has ordered Nike Inc. to pay damages to a Chinese cartoonist who said his stick figure was copied in the footwear giant's ads.

The court said the stickman character created was nearly the same as one used in Nike advertisement, and order the company to pay 300,000 yuan. Although the damages are just a fraction of the \$242,000 the cartoonist had requested, Nike representative said the company would likely appeal against the decision and argued that the figure was too generic to deserve a copyright.

MALAYSIA

News in December 2004

1. Microsoft aims to help govt in IP sharing
2. US says piracy risks becoming epidemic in Malaysia
3. Intellectual Property registration process to complete next year

1. Microsoft aims to help govt in IP sharing

(from New Straits Times, Malaysia, 2 December 2004)

Microsoft Malaysia is willing to share its knowledge and expertise to help the Government implement intellectual property sharing effectively. For an effective implementation of IP sharing, the first issue to consider is source code, which is a company's trade secret and therefore its source of income.

Besides that, important definitions in IP sharing must be spelt out clearly. For example, the sharing could be in the form of the trademark or marketing rights, the product licence rights or copyrights and the source code.

For Microsoft Malaysia, the company recently has been engaging with Multimedia Development Corporation, Mavcap Berhad, technopreneur association and universities to work out programmes to spur innovation. Through these initiatives, the company provides software tools and corresponding programs that grant market and technology access, which could contribute to the IP sharing practice proposed by the Government.

2. US says piracy risks becoming epidemic in Malaysia

(from Reuters News, 15 December 2004)

Counterfeiting in Malaysia risks becoming an epidemic, a senior US trade official said urging the country to join the United States in launching a comprehensive attack on industrial piracy. US Assistant Commerce Secretary William Lash had suggested to the Malaysian government that the

two countries form a roundtable of government agencies and industry to agree on ways to tackling piracy in Malaysia, which is estimated to cost US firms about \$240 million a year.

Counterfeited software, CDs and DVDs are easily available in some parts of the Malaysian capital and account for a large share of the lost income estimated by the US International Intellectual Property Alliance. Another growing area of US concern is the sale of counterfeit pharmaceuticals in Malaysia.

The income lost to piracy in Malaysia is on the rise again despite commendable Malaysian efforts to improve enforcement, Lash said, adding that broad bilateral cooperation was needed.

The intellectual property alliance credits Malaysia with launching an effective crackdown on retail piracy last year but still ranks the country as the world's number one producer and exporter of pirated console-based entertainment software. Lash said a comprehensive two-way approach involving officials from state agencies like the police, customs, the judiciary and patent office, could fight piracy, from imports of raw material and production to transportation and retail sales.

3. Intellectual Property registration process to complete next year
(from *Bernama Daily Malaysian News, Malaysia, 21 December 2004*
New Straits Times Newspaper, Malaysia, 22 December 2004)

The registration process of intellectual property registered since 2000 will be completed before February next year, the Senate was told. Ministry of International Trade and Industry Parliamentary Secretary Hoo Seong Chang said that the Malaysian Intellectual Property Corporation (PHIM) set up by the ministry last year, has set such a target to overcome the backlog of more than 2,000 cases.

He said that for the patent process, the time targeted was four years, trade chop one year and industrial design nine months. He added that to expedite the registration process, the ministry has taken various measures including increasing the number of patent inspectors, enhancing the automation system and skills training for PHIM officers and staff.

He said that although the registration of intellectual property was not compulsory, it is to obtain protection and exclusive rights on the usage of the intellectual property. Without registration, the owner could still use it but he needed to ensure that the property would not be copied by anyone else, he said. He also said that on the average, the ministry received 6,000 applications for intellectual property registrations each year.

SINGAPORE

News in December 2004

1. Record 1,500 people attend seminar on copyright laws
2. Crackdown on street pirates this Christmas
3. Use free software to stay within the law

1. Record 1,500 people attend seminar on copyright laws
(from Channel NewsAsia, 9 December 2004)

A record 1,500 people turned up at a seminar to find out how to stay on the right side of the law when the amended copyright legislation comes into force. With the amendments coming into effect on 1 January next year, offenders face a fine of up to \$20,000 and six months' jail for copyright infringements.

The Software Asset Management seminar was conducted by the Intellectual Property Office of Singapore and the Business Software Alliance. The attendance was more than double the number at the last seminar in September.

2. Crackdown on street pirates this Christmas
(from The Straits Times Newspaper, Singapore, 17 December 2004)

Street hawkers selling pirated movies – and people who buy from them – have been warned that authorities are adopting a 'zero tolerance' approach this festive season. In its biggest operation in Singapore to date – and the first major Christmas crackdown – the Motion Picture Association is promising to get tough on street pirates in major shopping areas.

Once the pirates are identified, the police and the Media Development Authority will be called to arrest them. The Singapore operation is part of a wide international crackdown by the MPA on the illegal sale of copyrighted materials covering 13 countries, including Australia, China, India, Indonesia and Malaysia.

Code-named Operation Eradicate, the campaign will last until the end of January.

3. Use free software to stay within the law
(from The Straits Times Newspaper, Singapore, 18 December 2004)

Come January 1, running unlicensed software becomes a criminal offence which carries severe jail terms and fines. This change was made in the Copyright Act, which was modified to comply with the US-Singapore FTA.

To its credit, the Intellectual Property Office of Singapore has been running advertisements to highlight these changes. However, it is most unfortunate that these press advertisements only offer solutions that need additional payments to stay legal.

This law change also affords Singaporeans a chance to break away from the software lock-in being enjoyed by the proprietary software vendors. In using Foss, you will not be burdened with an endless series of payments for software upgrades, version changes and so on, as is the reality with proprietary software products.

THE PHILIPPINES

1. Urge Cebu firms to join fight vs. piracy
(from *Asia Pulse*, 14 December 2004)

Trade officials have urged Cebu businessmen to join the fight against piracy which is killing the cinema business and is even threatening the livelihood of furniture manufacturers by copying their designs.

All kinds of products are cropping up carrying labels they do not own, hurting the business of the real owners of these brands. To put a stop to this, the Department of Trade and Industry-Cebu Provincial Office has urged more stakeholders to join the Intellectual Property Alliance.

During a roundtable discussion on intellectual property protection at the Cebu, DTI Cebu director said the IP Alliance-Cebu, formally organized in October 2002, has two-fold mission: to help prevent the abuse of intellectual property rights, and to help Cebu business understand and avail itself of intellectual property protection.

2. Rice seed piracy
(from www.abs-cbnnews.com)

Seed piracy has raised alarm to local farmers and puzzled rice scientists on whether it is beneficial or disadvantageous to the country's agriculture sector. Actually, rice seed piracy has been allegedly a practice for a long time not only in the Philippines but even in other countries where the International Rice Research Institute has a station.

The farmers, or seed growers, who are involved in the stages that make up for seed-certification process could be blamed for the proliferation of "pirated seeds."

A non-government organization called South East Asian Regional Initiatives for Community Empowerment said that it needed the interplay of actors-farmers, seed growers, government and traders-before a variety becomes commercialized. The farmers are mainly responsible in adopting new varieties, or discarding them.

INDONESIA

News in December 2004

1. Japan files patents for 37 Indonesian bio-resources in Europe
2. Govt to issue regulation on folklore and traditional knowledge
3. Police confiscated 5,000 pirated VCDs
4. Govt regulation on popular brand to be drafted

1. Japan files patents for 37 Indonesian bio-resources in Europe
(from *Bisnis Indonesia*, 1 December 2004)

As many as thirty seven Indonesian bio-resources and traditional knowledge are filed for patents by Japanese companies in Europe. The Japanese companies prefer to file the patents in Europe on grounds that the country is where the market of the products lies.

In the meantime, director general for intellectual property rights, Prof Dr Abdul Bari Azed at the forum state that the WIPO had made enormous efforts to gather inputs from member countries to make a guideline on bio-resources, traditional knowledge, and folklore legal protection. The guideline would be useful for member countries to provide legal protection on property rights in terms of their countries' respective conditions.

2. Govt to issue regulation on folklore and traditional knowledge
(from *LKBN Antara*, 1 December 2004)

The government will issue a regulation on folklore and traditional knowledge to prevent the misuse of cultural heritage, director general for intellectual property rights, Prof Dr Abdul Bari Azed said.

The formulation of the regulation is the mandate under the property rights law which is also the basic protection of expression of folklore and traditional knowledge, he said. He added Indonesia is fully aware on the need for the protection for expressing cultural and traditional knowledge which has high value both from the economic and historical points of view since the international community gives its attention to these issues.

One thing that would also be stipulated in the regulation is the identification of folklore and traditional knowledge.

3. Police confiscated 5,000 pirated VCDs
(from *Suara Pembaruan*, Page 15, 3 December 2004)

About 5,000 pieces of pirated VCDs were confiscated by Regional Police of South Sulawesi in operation together with Centre of Indonesian Recording Industry Association in Makassar. The goods were confiscated from 4 operation points. Police had arrested seven accused persons. They shall be sentenced to imprisonment above five years or a fine for amount of 500 millions rupiahs.

4. Govt regulation on popular brand to be drafted
(from *Bisnis Indonesia*, 15 December 2004)

The Directorate General of Intellectual Property Rights at the Department of Justice and Human Rights is going to draft governmental regulation on popular trade brand. Brand Director of the directorate Emmawati Junus revealed that the governmental regulation aimed to provide protection for owners of popular brands.

With the regulation, Emmawati added, it would be no longer possible to register same brands for different goods or services.

VIETNAM

News in December 2004

1. Imitation of motor brands
2. Counterfeits of cosmetics

3. Improving capacity of IPR enforcement
4. Vietnam gets advice to modify WTO policies
5. Vietnam seeking to increase IP protection

1. Imitation of motor brands

(from DauTu Newspaper, No. 141, 24 November 2004)

Honda Motors has just continued to file documents to National Steering Committee for anti-smuggler, anti-counterfeits and anti-fraudulent trade, warning infringements to industrial property of Honda motors in our country.

It is certainly that not only Honda was offended at this issue. Many other manufacturing and reassembling motor enterprises are facing infringements to industrial design such as Yamaha with Jupiter motor. This once time proved that it is necessary to do strongly to guarantee enforcement of industrial property rights in our country.

2. Counterfeits of cosmetics

(from Phap Luat Newspaper, No. 285, 28 November 2004)

Tens of poor quality cosmetics, fake cosmetics and the genuine cosmetics for control were showed in the recent exhibition in Ho Chi Minh City. As to fake cosmetics, firstly, they are give-away price cosmetics for commoners. Beauty products are called with quite pictographic names in accordance with picture in the cover.

3. Improving capacity of IPR enforcement

(from Dau Tu Newspaper, No. 143, 29 November 2004)

Inspectors of Cultural and Information Ministry in coordination with inspectors of Science and Technology Ministry and Police Department of investigation of criminal on order of economic management and positions (Police Ministry) have recently carried out checking and administratively settled two big computer companies in Dist.3 (Hochiminh City). It once time showed that Vietnam has seriously exerted all its strength in intellectual property enforcement in software field.

Total value of these soft wares is up to 150 million dong. Chief inspectors of Cultural and Information Ministry had issued the Decision to set an administrative imposition a fine of 25 million dong, right away abolished at the same time all the soft wares that had been set in those 30 computers.

4. Vietnam gets advice to modify WTO policies

(from The Saigon Times Daily, 2 December 2004)

Vietnam should quickly readjust its policies to be able to join the WTO, according to the vice rector of the German Development Institute. The Vietnamese Government should revise its trade

and intellectual property rights policies to comply with the international body's regulations. Specifically, Vietnam should not discriminate against foreign traders.

Vietnamese businesses have yet to focus on enforcing intellectual property rights in production and exporting. Many businesses sell their products at very low prices without adding the copyright value into the selling price. When Vietnam becomes a WTO member, Vietnamese exporters would face difficulties if they violated intellectual property rights, according to WTO's Agreement on TRIPs.

5. Vietnam seeking to increase IP protection

(from Vietnam News Brief Service, 22 December 2004)

Vietnam's Ministry of Science and Technology has drafted an action program for 2005-09 to raise the effectiveness of Intellectual Property enforcement. The program, which shows Vietnam's strong commitment to intellectual property protection on the pathway to membership of the WTO, is expected to usher in a coordinated and capable IP protection system of international standards, ministry officials said.

It will focus on improving awareness of IP rights among common people; short-term training will be given to provincial IP enforcement officials working at different levels; IP will become a subject of study at universities.

The ministry recently also proposed fines ranging from VND1-50 million and harsh administrative punishments for intellectual property rights violations. According to statistics, IP violations have continued to increase, with some 250 discovered in just the first six months of this year.
