

Monthly Report of February 2002

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THAILAND

News in February 2002

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1. Thai agency makes world's first vetiver pot
(from *Thai Daily Digest*, 1 February 2002)

Thailand has been successful in producing the first vetiver pot in the world. It also intends to seek a patent for the vetiver pot to protect the Thai invention.

H.M. King Bhumibol Adulyadej has found that vetiver could solve the problems of not only soil erosion but also nitrate seepage. Vetiver is grown in abundance at the Doi Tung Development Area in the northern province of Chiang Rai.

It is found that orchids grown in a vetiver pot will produce more beautiful flowers, when compared with orchids grown in a plastic one. The vetiver pot can even be glazed with different colors, such as blue, yellow, green, and brown. It may be used as a decorative item in households and offices.

2. Kubota fakes costing firm B400m a year

(from Bangkok Post Newspaper, Business Section, Page 8, Thailand, 2 February 2002)

Counterfeit Kubota farm diesel engines cost Siam Kubota Industry Co more than 400 million bath in lost sales last year. The products were being copied by Chinese manufacturers that dumped them on the Thai market with prices 17% below those of genuine engines.

In addition to losing revenue, the company was seeing its reputation tarnished as the copycat products were of poor quality with performance below specifications and a short operating life. The company had received no response to its complaints about the copycats to the Commerce and Industry ministries.

3. Kubota fakes costing firm B400m a year

(from The Nation Newspaper, Business Section, Page 3B, Thailand, 5 February 2002)

A newly patented filing system will mean a big boost in overseas sales for Udompanich Co Ltd, which expects exports to account for 50 per cent of its total sales this year, up from 5 per cent. The company received a patent from the Department of Intellectual Property in January for its round-spine document file, which features an easy-to-carry design. Patents will be applied for in Europe and the US.

4. Microsoft to open its source code selectively

(from Bangkok Post Newspaper, Database Section, Page 1, Thailand, 6 February 2002)

Microsoft (Thailand) is set to open the source code of its software to leading organizations and government agencies in Thailand. Qualified organizations will be able to access the source code so that they can modify the application software to best fit their internal demands, without any extra charges.

The terms agreed by Microsoft and each organization might not be the same due to different requirements, but use must strictly be for internal development only. In the case of open sources software, however, the developments must be shared with others in the open source community.

To join the programme, organizations must draft a proposal explaining why they need to access the code and submit the proposal to a committee in Redmond. The committee will decide whether the organization needs to join the share code programme or if there is another way to solve the problem. If the committee accepts the proposal, then that organization will have to negotiate with Microsoft on the conditions to meet the organisation's requirements.

5. BSA targets 100 firms for court action

(from Bangkok Post Newspaper, Business Section, Page 3, Thailand, 6 February 2002)

The BSA says it aims to prosecute at least 100 local software pirates by year-end, following the expiry of its highly publicized two-month “truce” in early January. The truce was intended to encourage organizations to legalise their software without facing legal action.

Seventy-nine per cent of the business software used in Thailand is unlicensed, according to the BSA, against a worldwide average of 37%. If other product such a game software, operating systems and network software were included, the piracy rate in Thailand would be far higher than 79%.

6. Pirates unfazed by police crackdown

*(from The Nation Newspaper, Local & Regional News Section, Page 2A, Thailand, 9 February 2002
Bangkok Post Newspaper, Prime News Section, Page 1, Thailand, 10 February 2002)*

Illegal business operators in Pantip Plaza have had to temporarily close down their shops for the past three days after police cracked down on pirated VCDs and computer software. Sellers of pirated CDs said raids by plainclothes police officers since Thursday could only force them to temporarily stop selling pirated games and computer software. They would soon reopen the profitable business.

7. Thong Daeng sees no copycats

*(from Bangkok Post Newspaper, Business Section, Page 1, Thailand, 13 February 2002
Reuters News Service, 13 February 2002
Bangkok Post Newspaper, Home News Section, Page 2, Thailand, 15 February 2002)*

T-shirts carrying the pictures of Thong Daeng, a stray dog adopted by His Majesty the King, are protected under the 1994 Copyright Law. The T-shirts had copyright protection for photographic work and artistic work, said Yanyong Phungrach, director-general of the Department of Intellectual Property.

Copycats of the shirt for commercial purposes will face a fine of 100,000 t 800,000 baht and a jail term of four to six years, or both.

8. Govt set to block US Tuk Tuk trademark

*(from Bangkok Post Newspaper, Business Section, Page 1, Thailand, 13 February 2002
The Nation Newspaper, Local News Section, Page 7A, Thailand, 14 February 2002)*

Thailand will propose that Washington withdraw trademark protection for “tuk tuk” from an American company, arguing that the name is generic. Tuk Tuk International Co applied for a trademark for Tuk Tuk at the US Patent and Trademark Office in Los Angeles in August 2000 and received approval last year.

The company, registered in the British Virgin Islands, also sought to have the name cover merchandise and food services but had not yet obtained approval. The “generic name” argument was the same one used last month by a British businessman who sells three-wheeled vehicles imported from Thailand as the MMW Tuk Tuk.

A Thai lawyer who specialized in intellectual property rights said there was little chance of revoking MWW’s registration, as the word tuk tuk was not the exclusive property of Mr Williams in Britain.

9. 54,000 CDs seized in raid

*(from The Nation Newspaper, Local News Section, Page 2A, Thailand, 13 February 2002
Bangkok Post Newspaper, Home News Section, Page 2, Thailand, 13 February 2002)*

Police said they had arrested five suspects and seized about 54,000 pirated CDs in a raid on a shop near Bangkok. The five arrested shop employees face up to two years in jail for violation of an intellectual property rights law.

10. Crackdown at Pantip Plaza

(from The Nation Newspaper, Business Section, 1B, Thailand, 15 February 2002)

Pantip Plaza, a shopper’s paradise of pirated computer software and music and movie CDs, will ask vendors to stop selling counterfeit products in response to a crackdown by authorities. The move follows talks between Deputy Commerce Minister Suvarn Valaisathien and Charoen Sirivadhanabhakdi, the liquor tycoon who owns Pantip Plaza. Charoen has agreed to engage in talks with vendors aimed at stopping the selling of pirated products by February 28.

11. Scheme to cut piracy

*(from The Nation Newspaper, Business Section, Page 2B, Thailand, 19 February 2002
Bangkok Post Newspaper, Business Section, Page 1, Thailand, 19 February 2002)*

Hard hit by rampant piracy, eighteen Thai copyright owners have drafted a master plan aimed at suppressing intellectual property rights violations. Piset Chiyasak, general manager of the Thai Recording Industry Association, said the master plan would identify in depth problems involved in copyright violations and come up with some solutions to tackle them more efficiently.

The first strategy is to tackle the sellers of pirated goods at department stores and shopping malls by encouraging them to sell legal products instead. The preventative programme would include a public relations campaign to encourage teenagers to buy legitimate goods while the sub-committee would pursue a crackdown.

12. Talks held to sweep fakes off shelves

(from Bangkok Post Newspaper, Business Section, Page 3, Thailand, 20 February 2002)

The Commerce Ministry plans to hold talks with operators of Mahboonkrong shopping centre, IT Mall, and Khlong Thom and Saphan Lek markets to seek co-operation in removing pirated software from shop shelves.

The US officials were told that the Thai government was going to organize a meeting tomorrow to adopt more concrete measures to deal with underground businesses, including software piracy by influential people.

The efforts are expected to encourage Washington to consider removing the country from its “watch list”. The US trade representatives are planning to investigate complaints lodged by American private associations about Thailand’s inefficiency in dealing with piracy.

13. Stars join piracy fight

(from Bangkok Post Newspaper, Business Section, Page 12, Thailand, 22 February 2002)

GMM Grammy celebrities will join a public campaign tomorrow to promote legitimate VCDs, CDs and cassette tapes at Pantip Plaza, notorious for sales of pirated products.

Grammy CEO Apriak Kosayodhin said Pantip Plaza would be free from illegal products by next month. Liquor tycoon Charoen Sirivadhanabhakdi, the centre’s owner, recently pledged to have shop owners remove all illegal materials from their shelves.

14. Anti-CD piracy bill ‘too lenient’

(from The Nation Newspaper, Local News Section, Page 3A, Thailand, 22 February 2002)

Interior Minister Purachai Piumsomboon ordered a draft bill on the suppression of pirated CDs to be revised, saying it was too lenient because it allowed cases to be settled before police completed their report, thus pre-empting prosecution.

Purachai instructed three key issues in the bill to be reviewed to determine whether:

- the disputing parties should be allowed to settle the case before the police report is completed.
- the penalties should include the seizure of equipment making the pirated products.
- property rights owners, such as those in the music industry, should be able to request police raids on suspected violations such as karaoke club operators, and then drop the charges once they received loyalty payments.

The bill is intended to boost efficiency in the suppression of intellectual property rights violations.

15. Daily raids ‘succeed’ at cyber stalls

(from The Nation Newspaper, Business Section, Page 2B, Thailand, 22 February 2002)

Daily raids by authorities on Pantip Plaza reduced the number of stores selling pirated software from over 100 in September to about 25 early this month. Other popular spots for Thai pirated software, namely Tawana, Seri Centre and Tha Nam Muang Nont, will become

likely targets for future raids after Pantip Plaza, warned Tarun Sawney, regional enforcement manager of the BSA.

The BSA will continue its policy of focusing on corporate end-users, he said. Retailers are only a concern if they become too obvious and rampant, like those at Pantip Plaza.

16. Pantip pirates feeling the heat

(from The Nation Newspaper, Local News Section, Page 3A, Thailand, 28 February 2002)

Sellers of counterfeit CDs admit that they might never be able to return to Pantip Plaza as police follow through on their pledge to eliminate pirated software and entertainment media by performing daily checks there.

So far, stores that previously sold pirated CDs have completely shut down. Earlier, Pantip Plaza had announced that these stores would be replaced with ones selling licensed CDs, but there appears to be no sign that this will happen in the near future.

PEOPLE'S REPUBLIC OF CHINA

News in February 2002

Japan auto body to combat fake Japanese motorcycles in China

(from Asia Pulse, 28 February 2002)

In an effort to combat the spread of counterfeit Japanese motorcycles in China, the Japan Automobile Manufacturers Association (JAMA) will join forces with a Chinese industry association to protect intellectual property rights, starting in April, JAMA said.

JAMA will investigate for patent violations products that are very similar in design to Japanese motorcycles. It also plans to invite officials in charge of intellectual property rights at Chinese motorcycle manufacturers to Japan to provide them with expert knowledge.

JAMA aims to jointly set up a private dispute settlement body with its Chinese counterpart to adjudicate on cases in which Chinese products are found to be imitating the designs and trademarks of Japanese motorcycles illegally.

HONG KONG

News in February 2002

Asia-Pacific intellectual property seminar opens in Hong Kong
(from *BBC Monitoring Asia Pacific-Political*, 25 February 2002)

A seminar on enhancement on the APEC Agreement on TRIPs opened Monday 25 February at the Hong Kong Intellectual Property Department. The seminar will be held between 25 February and 1 March, focusing on how APEC members can fine-tune their intellectual property system to enhance their capacity to implement the agreement, according to Stephen Selby, director of the Hong Kong Intellectual Property Department.

MALAYSIA

News in February 2002

1. Intellectual property update
2. Move to give royalties for patented new discoveries

1. Intellectual property update
(from *Economist Intelligence Unit*, 11 February 2002)

The Intellectual Property Corporation of Malaysia Act 2002 was passed in January 2002. It will set up a corporation to regulate all intellectual property activities in the country.

2. Move to give royalties for patented new discoveries
(from *Bernama Daily Malaysian News*, 19 February 2002
New Straits Times Newspaper, Malaysia, 20 February 2002)

The Domestic Trade and Consumer Affairs Ministry is studying the possibility of giving royalties to Malaysian scientists and researchers for patenting new discoveries. Its minister, Tan Sri Muhyiddin Yassin said this would encourage more scientific discoveries in addition to the number of patents filed.

He said scientists and researchers in government research institutions felt that they did not benefit from their discoveries as the government owned the copyrights.

On the percentage of royalties to be distributed, Muhyiddin said that it would be according to the percentage provided in the Patent Act (amendment) 2000. On the whole, Muhyiddin

said the public understanding of the concept of intellectual property was still below expectation.

As such the Domestic Trade and Consumer Affairs Ministry will organize campaigns and seminars this year to explain intellectual property rights to the public.

SINGAPORE

News in February 2002

Cops on trial for helping VCD pirates

(from The Straits Times Newspaper, Prime News Section, Page 3, Singapore, 21 February 2002)

Two policemen whose jobs were to catch VCD and CD-ROM pirates are accused of accepting \$64,000 in bribes from the pirates in return for warning them of impending raids. between May 2000 and June 2001, they are said to have accepted bribes ranging from \$2,000 to \$8,000.

Both men were charged in court with corruption. If found guilty, they can be fined up to \$100,000 and sent to prison for up to five years.

THE PHILIPPINES

News in February 2002

1. Web-based trademark, patent registration set to be launched
2. Music's US unit sells assets to pay off debt
3. Philippines companies urged to support anti-piracy campaign

1. Web-based trademark, patent registration set to be launched

(from Business World, Philippines, 7 February 2002)

The Intellectual Property Office (IPO), the government office that implements the Intellectual Property Code in the country, is preparing to provide a Web-based alternative for registering trademarks and patents.

The IPO expects to provide a more efficient registration system to applicants in areas in the Visayas and Mindanao through the said online service. Currently, trademark applicants can apply to the IP through mail or directly through its office. The system is expected to enable online payment of various registration and maintenance fees.

The registration service builds on an existing automated trademark system that includes an online library of more than 100,000 text trade marks registered with the IPO office.

2. Music's US unit sells assets to pay off debt

*(from Dow Jones Asian Equities Report, 21 February 2002
Asian Wall Street Journal, 22 February 2002)*

A Philippine technology group, said its US-based unit, Music Semiconductors Inc., has agreed to sell its intellectual property assets to Micron Technology Inc., a US semiconductor concern.

Music Semiconductors will be selling its Content Addressable Memory, or CAM, intellectual property assets for \$4.5 million to pay off debt. CAM technology accelerates important functions within network switching and routing systems in a computer.

Music Semiconductors designed the first commercially successful CAM and pioneered the application of CAM products for networking systems to enhance network performance. The company has patents for this technology.

3. Philippines companies urged to support anti-piracy campaign

(from Philippine Daily Inquirer, 24 February 2002)

The BSA has urged corporations in the Philippines to support moves to promote the use of licensed software in the Philippines. These moves would help bring down the rate of software piracy in the Philippines, which has been dropping over the past five years, but still high at 61 per cent.

BSA has urged companies in the Philippine to check their software licenses as its is all set to implement several activities geared toward promoting the use of licensed software in the country. BSA has implemented the Assistance in Software Auditing Program last year aimed at promoting proper software management.

About 260 companies applied for the Certificate of Clean Bill of Software Health from BSA, indicating that the company uses licensed software. The certificate guarantees a one-year grace period against BSA raids.

INDONESIA

News in February 2002

US sees RI making progress in curbing piracy

(from The Jakarta Post Newspaper, Indonesia, 15 February 2002)

The US government acknowledges that Indonesia has been making significant progress in the protection of intellectual property rights although the country remains on a watch list, according to Minister of Industry and Trade Rini M. Soewandi.

She said that the US saw that they have made several improvements. She pointed to the new law and rulings related to the protection of intellectual property rights, and various campaign programs to educate businesses.

VIETNAM

News in February 2002

Vietnam to make cheap copies of Aids drugs

(from The Nation Newspaper, Local & Regional News Section, Page 6A, Thailand, 2 February 2002)

Vietnam plans to produce cheap copies of internationally patented drugs for treatment of its growing number of Aids patients, a government official said. The plan is expected to be submitted to the prime minister for approval in May.

Vietnam still must settle the issue of copyrights held by the drug companies.
