

Monthly Report of June 2003

- By Country:

THAILAND
PRC
HONG KONG
MALAYSIA
SINGAPORE
THE PHILIPPINES
INDONESIA
VIETNAM

THAILAND

News in June 2003

1. Piracy losses hit all-time high in region
2. Warned counterfeiters
3. Companies failing to get the patent game right
4. Patent Thai Silk
5. Fake printer goods seized in five raids
6. Grammy unit says piracy persisting
7. Geographical Indication
8. Drive on for intellectual property registration
9. MOC to join with Microsoft in encouraging use of legal software
10. Appeal filed in legal war over rights to Ultraman
11. High-seas pirates now making CDs
12. Official says supply of some fake goods down 60-70%

1. Piracy losses hit all-time high in region

(from Bangkok Post Newspaper, Database Section, Page 1, Thailand, 4 June 2003
Post Today Newspaper, Economic Section, Page A3, Thailand, 4 June 2003
The Nation Newspaper, Business Section, Page 4B, Thailand, 5 June 2003
Post Today Newspaper, Business & Market Section, Page B3, Thailand, 5 June 2003
Krung Thep Thurakit Newspaper, IT Internet Section, Page 6, Thailand, 5 June 2003)

The average piracy rate for commercial software across Asia Pacific is at its highest level since 1996 and losses in the region in 2002 were at an all time high of US\$5.5 billion, according to the Business Software Alliance's (BSA) Eighth Annual Survey on global software piracy.

The BSA praised Thailand as one country that had realized the benefit of reducing software piracy. Chair of the BSA Thailand, Committee Jonathan Selvasagaram said it was clear that the Thai government recognized the importance of protecting intellectual property.

2. Warned counterfeiters

(from Post Today Newspaper, Today's News, Page A2, Thailand, 6 June 2003
Krung Thep Thurakit Newspaper, Economic Commerce Section, Page 21, Thailand, 6 June 2003)

Mr. Wattana Muengsuk warned governors and police in each province to eradicate pirated CDs, if not he would propose them to be move. Moreover, he is disappointed with the action of some house representatives who gave a hand to help the suspect of the cooperated cases.

3. Companies failing to get the patent game right

(from The Nation Newspaper, Business Section, Page 2B, Thailand, 9 June 2003)

Many Thai companies waste time and resources making patent applications that lack sufficient up-to-date information, according to a report released by the Intellectual Property Department. Despite a large number of applications from both individuals and companies relatively few were actually granted, the department said.

Manoon Changchumni, a Baker & McKenzie lawery, said that he though more people would apply for patents after Thailand signed the Patent Cooperation Treaty (PCT), which is it expected the government will sign no later than by the end of this year. Manoon said the PCT would make applications cheaper and easier.

4. Patent Thai Silk

*(from Krung Thep Thurakit Newspaper, Economic Section, Page 9, Thailand, 10 June 2003
Thai News Service, 13 June 2003)*

The Commerce Ministry is trying to encourage local Thai silk producers to cooperate in an attempt to register Thai silk as a copyright to prevent competing silk-exporting countries from producing silk they claim is Thai and then exporting it to Thailand's major export markets such as eastern Europe and the US.

The Department of Agriculture's deputy director general Prapaisri Pitkpaiwan said a large number of raw silk had been smuggled into the country, making the price of local raw silk drop to only 550 baht a kilogram. In order to solve this problem, she said, the department, in coordination with the Customs department, had continuously taken suppressive action on. And also, Intellectual Property Department will give the advice for this matter.

5. Fake printer goods seized in five raids

(from Bangkok Post Newspaper, Business Section, Page 2, Thailand, 12 June 2003)

Executives of five companies in the Bangkok area have been charged under the Trademark Act following raids in which counterfeit ink jet cartridges, ribbons and other printing accessories were seized.

Police from the Economic Crime Investigation Division carried out the raids after receiving complaints from Seiko Epson Corporation, Canon Dabushiki Kaisha and Hewlett-Packard (HP). Officers seized a total of nearly 25,000 unauthorised Epson, Canon and HP products with a retail value of more than two million bath.

6. Grammy unit says piracy persisting

(from Bangkok Post Newspaper, Business Section, Page 3, Thailand, 12 June 2003)

G-Patent Co. said piracy remains widespread in Thailand despite stepped-up government suppression efforts. The more the company cracks down, the more apparent the huge proliferation of fake CDs in the market becomes, a company executive said.

To date, the company has dealt with an average of 100 cases a month of illegal CD and cassette tape distribution and production. Recently, the company with police and Intellectual Property Department officials, seized illegal CD manufacturing equipment at a plant in Bang Bon, Samut Sakhon.

7. Geographical Indication

(from Bangkok Post Newspaper, Home News Section, Page 4, Thailand, 14 June 2003)

The Natural Resources and Environment Ministry is locked in a dispute with the Commerce Ministry over whether indigenous animal and plant strains, including jasmine rice, should be protected under the Geographical Indication (GI) Bill.

Wattana Muangsook, deputy commerce ministry, said unique plant and animal strains would continue to be regarded by the international community as “generic” if their names did not contain an indication of geographical origin.

The bill was drafted by the Commerce Ministry to meet obligations under the WTO’s TRIPs pact. It aims to prevent the designation or presentation of products in a manner that misleads consumers. The House passed the bill in November 2001, before it was amended by the Senate one year later.

8. Drive on for intellectual property registration

(from Post Today Newspaper, Business & Market Section, Page B4, Thailand, 16 June 2003

Bangkok Post Newspaper, Business Section, Thailand, 18 June 2003

Thai News Service, 19 June 2003)

The Intellectual Property Department said it would encourage small-scale operators of one-tambon-one-products, and those producing agriculture products including processed food to seek intellectual property rights registrations for their products in order to use them as collateral for bank loans under the government’s asset-to-capital conversion scheme.

DIP is keeping local operators, and concerned state agencies, abreast of how to implement the government’s much –touted asset-to-capital conversion policy. Also DIP will reduce the Patent application fee with 50%.

9. MOC to join with Microsoft in encouraging use of legal software

(from Thai Daily Digest, 17 June 2003)

The Ministry of Commerce (MOC) is to join hands with Microsoft Corporation in a campaign to ensure that members of the public are aware of the importance of intellectual property rights, Deputy Commerce Minister Wattana Muangsook announced. Microsoft and the ministry would draw up joint plans to encourage members of the public to realize the value of using legal software.

In the future Microsoft might lower its prices to help encourage consumers to turn to legal software, adding that next week Microsoft would send in its plans to boost legal software usage in Thailand.

10. Appeal filed in legal war over rights to Ultraman

(from The Nation Newspaper, Business Section, Page 3B, Thailand, 20 June 2003

Post Today Newspaper, Today's News Section, Page A3, Thailand, 20 June 2003

Krung Thep Thurakit Newspaper, Business & Market Section, Page 31, Thailand, 20 June 2003)

The owner of a Thai company involved in a decades-old dispute over rights to the Ultraman superhero character said that the Intellectual Property and International Trade Court accepted his appeal against suits filed against it by the Japanese firm in the quarrel.

Last year, the IP & IT Court and the Tokyo District Court both ruled in favour of the Thai company. However, the Japanese firm has continued to fight the rulings, claiming that Chaiyo Production Co.,Ltd. (CPC) used fake documents as evidence to win the rights. Tsuburaya Productions Co (TPC) also claims that CPC deliberately violated Ultraman copyright by reproducing the character without permission and launching its Ultraman Millennium Live Show in Bangkok.

TPC is seeking Bt100 million in damages and has authorized Pro-link as its representative in Thailand. CPC, meanwhile, has filed lawsuits against BEC World Co Ltd and Bangkok Entertainment for broadcasting the Ultraman TV series without the permission of the Thai court hearing the case.

11. High-seas pirates now making CDs

(from Bangkok Post Newspaper, Business Section, Page 1, Thailand, 24 June 2003

Post Today Newspaper, Prime News Section, Page A1, Thailand, 25 June 2003)

Now authorities say illegal CD producers have moved offshore, with “pirate ships” of a high-tech literally cruising the Andaman Sea churning out copies of movies, music and computer software. The government since May has been cracking down on illegal CD producers and sellers as part of a campaign to strengthen intellectual property rights.

Commerce Ministry officials say that an unidentified cargo vessel cruising near the resort island of Phuket is now producing illegal CDs. Wattana Muangsook, the deputy commerce minister, said he had ordered the Phuket provincial commercial minister to work with the Phuket governor on making the arrests. “Any local officials that support such illegal activity must face harsh punishment,” he said.

12. Official says supply of some fake goods down 60-70%

(from Bangkok Post Newspaper, Business Section, Page 1 & 12, Thailand, 25 June 2003)

The supply of pirated CDs and VCDs in Bangkok has dropped by 60-70% after a serious government crackdown that began last month, Orathai Thanajaro, assistant secretary to Commerce Minister. But her statement was met with strong scepticism by entertainment industry executives as pirated CDs and DVDs can still be easily found in places such as Khao San Road, Patpong and other entertainment hubs.

Since the anti-piracy campaign began on May 1, she said that 13 blacklisted locations in Bangkok selling counterfeit products had been cleaned up.

PEOPLE'S REPUBLIC OF CHINA

News in June 2003

1. Chinese firm applies for 'Aomori' trademark
(from *The Daily Yomiuri*, 4 June 2003)

A Chinese firm has applied to register the name "Aomori" as a trademark for selling vegetables and fruit, a move that may force the prefecture's agricultural industry of Japan to stop labeling their products as ones produced in the prefecture if they are exported to China.

Jetro's Beijing office confirmed that the announcement was printed in the Chinese government's gazette, and the office is checking to see if the application for the trademark will be limited to agricultural products. If the trademark is registered, exports from Aomori Prefecture of Japan to China are likely to be seriously affected.

2. GM will find it difficult to prove SAIC Chery violated IPRs
(from *Bangkok Post Newspaper, Business Section, Page 2, Thailand, 28 June 2003*
The Nation Newspaper, Business Section, Page 3B, Thailand, 28 June 2003
Post Today Newspaper, International Economic Section, Page A11, Thailand, 28 June 2003
AFX Asia, 30 June 2003)

General Motors China will find it difficult to establish that designs of one of its models have been copied by China's SAIC Chery Automobile Co. Gong Baoming, director of the appearance design patent department of the State Intellectual Property Office, said intellectual property rights infringement will be difficult to prove in this case. He also said that while the US and Japan protect parts and portion design patents, China's intellectual property system does not.

HONG KONG

News in June 2003

1. HK Customs launches crackdown on software piracy
(from *Xinhua News Agency Bulletin, 5 June 2003*
BBC Monitoring Asia Pacific, 6 June 2003)

Customs officers of the Hong Kong Intellectual Property Investigation Bureau raided seven companies suspected of using pirated computer software in their businesses. All illicit copy of a copyright work for use in business commits a criminal offence. The maximum penalty is a fine of 50,000 Hong Kong dollars per illicit copy in addition to four years imprisonment.

2. Nintendo wins games piracy lawsuit in Hong Kong
(from *Dow Jones International News, 20 June 2003*
Post Today Newspaper, International Economic Section, Page A11, Thailand, 21 June 2003)

Nintendo Co., the Japanese games maker behind Game Boy, has won a court case against a Hong Kong company in what it describes as one of its "most significant anti-piracy judgments". A Hong Kong court has ordered Lik Sang International, a chip manufacturer, to stop making devices that

defy piracy countermeasures embedded in Nintendo game machines. It has also ordered the company to pay interim damages of HK\$ 5 million.

The company and the publishers and developers of its games lost \$650 million in sales last year because of illegal copying of their software, Nintendo said.

MALAYSIA

News in June 2003

1. Malaysia seizes pirated discs
2. Parliament in Malaysia debates harsher punishments for copyright offences
3. Registering patent to be easier and cheaper

1. Malaysia seizes pirated discs

(from Bangkok Post Newspaper, Database Section, Page 2, Thailand, 4 June 2003

Post Today Newspaper, International Economic Section, Page A11, Thailand, 6 June 2003

Xinhua News Agency Bulletin, 7 June 2003

Reuters News Service, 8 June 2003)

Police seized four truckloads of illegally copied movie and computer game discs in what they said was their biggest score of a two week-old crackdown on pirated material. More than 2 million digital VCDs and CDs worth an estimated 30 million ringgit were grabbed when authorities raided an alleged copying and distribution center in Kuala Lumpur.

Prior to last week's raid, the crackdown had netted more than 215,000 pirated discs worth 1.12 million ringgit.

2. Parliament in Malaysia debates harsher punishments for copyright offences

(from World Markets Research Centre, 16 June 2003)

Malaysia's parliament may enhance the country's regime for the protection of intellectual property rights. It is presently debating amendments to the existing copyright bill that would allow for the imposition of harsher sentences for copyright infringements, including those that involve electronic data and the circumvention of technological barriers. The draft bill proposes an increase of the maximum sentence from three to five years imprisonment for the first offence, and from five to 10 years for each subsequent infringement.

3. Registering patent to be easier and cheaper

(from New Straits Times, Malaysia, 20 June 2003)

The Patent (Amendment) Act 2003 which was passed by Parliament will make registering a patent easier and cheaper. It will allow for an international patent application to be made at any one of the member countries of the Patent Cooperation Treaty, an initiative by the WIPO. For Malaysia to be a member of PCT, the Patent Act 1983 would have to be amended.

SINGAPORE

News in June 2003

1. Philips sues Singapore firm over CD technology payments
2. Singapore offers best protection of IP in Asia
3. Preparing firms for new IP laws

1. Philips sues Singapore firm over CD technology payments

(from Business Times, Singapore, 17 June 2003)

Dutch electronic giant Philips is suing Singapore firm Fonet International in relation to a patent that covers recordable CD technology. Philips says it signed a licence agreement with Fonet in 1997, allowing the latter to make magneto-optical CDs and write-once CDs in Singapore, where Fonet has a factory in Ang Mo Kio.

Fonet has denied Philips' allegations and challenges the validity of the patent. Philips says that under the 1997 agreement, Fonet was to pay royalties within 60 days of the end of each quarter. The agreement was effectively terminated by Philips in 2001.

2. Singapore offers best protection of IP in Asia

(from World Markets Research Centre, 18 June 2003)

Singapore offers the best protection to intellectual property, according to a new poll carried out by the Hong Kong – based Political and Economic Risk Consultancy (PERC). Foreign companies feel comfortable about able to protect their IP in Singapore, and the system offers a tightly policed and regulated environment which discourages piracy, and a legal system that offers goods support to victims of IP abuses. Overall, IP protection was thought to have improved in nine of the 12 countries covered in the poll, with China and Indonesia bottom.

3. Preparing firms for new IP laws

(from Business Times, Singapore, 25 June 2003)

A new intellectual property taskforce will be set up to help businesses prepare for the stronger IP laws arising from the US-Singapore Free Trade Agreement. It will help businesses understand the implications of the new laws. The taskforce is also expected to proactively engage professional bodies such as the Law Society of Singapore to solicit views on the new laws.

THE PHILIPPINES

News in June 2003

1. Fake Nokia accessories seized in raid
2. P37M worth of pirated software seized by NBI

1. Fake Nokia accessories seized in raid
(from *Philippine Daily Inquirer*, 14 June 2003)

Agents of the National Bureau of Investigation raided a warehouse and two distribution outlets in Quiapo, Manila, and seized P30 million worth of fake Nokia phone accessories. The NBI confiscated a total of 352,458 fake accessories such as batteries, chargers, headsets and leather casings.

2. P37M worth of pirated software seized by NBI
(from *Philippines Daily Inquirer*, 22 June 2003)

An estimated P37.185 million worth of pirated software and 223 sets of computers were confiscated by the NBI. The raid stemmed from a complaint filed by legal counsels of top commercial software firms including Symantec, Adobe, Autodesk and Macromedia.

INDONESIA

News in June 2003

1. MOU signed to uphold property rights
(from *The Jakarta Post Newspaper, Indonesia*, 11 June 2003)

The Ministry of justice and Human Rights and the National Police signed the memorandum of understanding to cooperate in eradicating rampant intellectual property rights violations, mostly VCDs and software.

The MOU signed by Justice Minister Yusri Ihza Mahendra and National Police chief Gen. Da'i Bachtiar. Yusril said his ministry could not act alone to combat the property rights piracy as it did not have power against the perpetrators.

VIETNAM

News in June 2003

1. Duy Loi wins lawsuit in Japan
2. To separate trademark from the NOIP
3. Vietnam trademark exhibition
4. Trademark registrations deadlocked

1. Duy Loi wins lawsuit in Japan
(from *Saigon Times Daily*, 5 June 2003)

A Vietnamese private business has got back the rights to sell its products in the Japanese market after a six month lawsuit in Japan. Duy Loi, a business based in District 10, HCMC, finally received a verdict that nullifies the certificate of "useful solution" No. 3081528 effective in Japan granted on August 22, 2001.

During the court, Duy Loi successfully proved that it had registered for the design of the products before the defendant claimed the invention. With the verdict, Duy Loi is now able to resume export to Japan. In the first phase, the export is worth US\$12,000 a month.

2. To separate trademark from the NOIP

(from Lao Dong Newspaper, 14 June 2003)

Experts of the Ministry of Science and Technology said to separate trademark from the NOIP is a regret mistake causing many irrationalities. Because the office in charge of establishing IP rights over trademark has not been assigned. There will be a “blank time” when there is no office in charge of granting trademark registration. Moreover, the new organization cannot operate immediately if shortage of skilled staffs. To make this activity to operate smoothly, in his opinion, the best solution is to make use of all the staff, experts of trademark at NOIP. But obviously this transfer is not simple because NOIP does not have independent trademark or industrial design section. Lastly, the organization in change of new office, Ministry of Science and Technology and NOIP and other organizations need to assess carefully to avoid unnecessary wastes.

3. Vietnam trademark exhibition

(from Vietnam News, Business Section, Page 16, 18 June 2003

Vietnam News, Business Section, Page 15, 20 June 2003)

The first international exhibition on Vietnamese trademarks hopes to assist the fight against counterfeits and to boost the country’s traditional exports. It has been organized by the Vietnam NOIP, Trade Promotion Agency, Standard and Consumer Association and the fair center. NOIP said more than 20,000 firms have registered their trademarks. During the exhibition, it had a seminar which participants have urged authorities to crack down harder on industrial property violations which going in the face of Vietnam’s international obligations, threaten to jeopardize its membership of the WIPO.

4. Trademark registrations deadlocked

(from Saigon Times Daily, Vietnam, 26 June 2003)

More than 12,000 applications for trademark registration have piled up at the Industrial Property Bureau of Vietnam since the Government deprived this agency of the job of issuing trademark protection certificates late last week. The number of applications sent to the bureau had increased nearly 80% since Decree 54 came out. The decree renames the bureau as the Intellectual Property Bureau but does not say which agency will take over the certification job.
