

Monthly Report of May 2006

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THAILAND

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1. Intellectual property helps boost economic growth

(from *The Nation Newspaper, Business Section, Page 3B, Thailand, 4 May 2006*

Post Today Newspaper, Business Market Section, Page 3B, Thailand, 4 May 2006)

Commerce Minister Somkid Jatusripitak said that just as exports, investment and tourism boost the economy, so increased awareness and the promotion of intellectual property rights can help stimulate the development of more value-added products.

Speaking on the 14th anniversary of the establishment of the department, Somkid spoke of the important role it had to play in both aiding commerce and educating the public. "The department should promote the idea of added value within the manufacturing sector, as well as help the public become more aware of the intellectual property issue," he said.

Somkid said that in the past, Thailand's manufacturing industries were not sufficiently sophisticated to embrace such concepts. They relied more on the traditional ideas of "sweat and tears" to build success, he said.

However, he said he now wanted to see industry use "brains and opportunity" to create products with added value. Companies should focus more on innovation, research and development, and the creation of strong brand identities, he said.

To do that, Somkid said the department should encourage more companies to register their intellectual property rights. He also suggested it work more closely with the private sector, educational institutions and other government agencies to promote awareness of intellectual property issues among the public.

To help the department achieve its goals, Somkid said the government would consider increasing its annual budget from the Bt130 million it received last year to more than Bt150 million.

Director-general Kanissorn Navanugraha, said the department would this year focus on improving its trademark and copyright registration system and cracking down on intellectual property violations. He said that an IP Centre for Trade would also be established within a year to ease the process of registering intellectual property.

Meanwhile, a campaign to increase public awareness of intellectual property issues was launched yesterday. The project is a joint venture between the Intellectual Property Department and several private-sector companies including GMM Grammy, RS Promotion, Mangpong, Microsoft and the Motion Picture Association (MPA).

2. Against Rice Parboiled patent

(from Post Today Newspaper, Business Market Section, Page B3, Thailand, 5 May 2006)

Yanyong Puangraj, deputy permanent secretary of Commerce Ministry, also president of Patent Committee, talked about the case that Rice Exporter Association would like Commerce Ministry to cancel patent registration on "The procedure of making Rice Parboiled by using heat".

Mr. Yanyong would like two sides, which are the patent applicant and the association make their own deal. For the patent committee, they will consider under the rule.

3. DVD, VCD piracy is worsening

(from The Nation Newspaper, Business Section, Page 1B, Thailand, 6 May 2006

Post Today Newspaper, Today's News Section, Page A2, Thailand, 6 May 2006)

Up to 60 per cent of DVD and VCD movies sold in Thailand are pirated, mainly due to illegal copies flooding in from neighbouring countries, according to Tienchai Pinvises, executive director of the Motion Picture Association (Thailand).

According to the association's report, about 1,500 movie titles were illegally reproduced and sold in Thailand last year, compared to 1,100 in 2004. Pinvises was speaking ahead of a major meeting of leading motion-picture manufacturers in Thailand on Monday to discuss violations of intellectual property rights in Southeast Asia.

Leading US companies at the meeting include Columbia Picture Industries Inc, Disney Enterprises Inc, Paramount Picture Corporation, Tri-Star Pictures Inc, Twentieth Century Fox Film Corporation, Universal Studios and Warner Bros Entertainment.

According to Pinvises, the DVD pirating scene in Thailand is getting worse because some illegal-movie manufacturers have moved their factory bases into neighbouring countries and now export to Thailand.

Since Thailand has a compact disc (CD) copyright law for controlling CD manufacturing, CD-producers are now also relying more on computers, which apart from greater convenience reduce the risk of getting caught, he said.

This change has made it more difficult to clamp down on illegal production, Pinvises said, adding that officials had to closely monitor the fast pace of change in piracy. Deputy Commerce Minister Preecha Laohapongchana said the production of pirate copies of Hollywood VCDs and DVDs had been reduced by 80 per cent this year but was still a problem because of the flow of illegal products from neighbouring countries.

The ministry reported 1,656 cases of intellectual-property infringement with the seizing of 489,762 items in the first two months of this year. Of these, 1,095 cases broke copyright law and 561 broke trademark law.

4. Thai-US FTA not affect amending patent

*(from Post Today Newspaper, Business Market Section, Page B3, Thailand, 8 May 2006
Krung Thep Thurakit Newspaper, Commerce Section, Page 7, Thailand, 8 May 2006)*

Deputy director general of DIP, Banyong Limprayoonwong, said that the plan to amend Patent Act which expect to finish by this year. DIP has used 3 guidelines for amending the Act. There is 1.) make the registration procedure faster and give the advantage firstly to Thais 2.) let the private sectors join their point of view 3.) make the law more international.

This amending progress has started before the Thai-US FTA discussion. Then the amended version would not make the advantage to American business, but for making Thai law to be more international and useful.

5. Censorship seen feeding piracy

(from Bangkok Post Newspaper, Business Section, Page B3, Thailand, 16 May 2006)

American filmmakers have complained that local censorship of smoking and drinking on screen is one reason driving audiences to buy pirated VCDs and DVDs, according to Tienchai Pinvises, executive director of the Motion Picture Association (MPA) of Thailand.

"Blurred pictures irritate viewers so they opt to buy pirated, uncensored DVDs or VCDs for entertainment," he said. He said smoking and drinking scenes were mainly used in movies for entertainment rather than advertising purposes.

Prawit Taeng-aksorn, a film critic and lecturer at Chulalongkorn University, agreed with Mr Tienchai. As for specific DVDs and VCDs, Mr Prawit shared Mr Tienchai's view that the government censorship should classify viewers rather than the movies. Audience ratings, which classify viewers by age, should be introduced.

6. Commerce Ministry promises crackdown on intellectual property crimes

(from Post Today Newspaper, Business Market Section, Page B3, Thailand, 18 May 2006

Organisation of Asia-Pacific News Agencies, 19 May 2006

Thai News Service, 19 May 2006

Post Today Newspaper, Business Market Section, Page B3, Thailand, 29 May 2006)

Thai officials engaged in suppressing intellectual property rights crimes met here to discuss enforcing laws against pirating and 'copycat' products on the occasion of His Majesty the King's 60 years on the throne in June. Caretaker Deputy Commerce Minister Preecha Laohapongchana said after meeting with police and other officials that more government personnel would be assigned to the task of preventing and suppressing the theft of intellectual property.

Department stores owners also joined the meeting, Mr. Preecha said, to learn about measures put in place against pirated goods. "Many world leaders will come to Thailand for the upcoming royal ceremonies," Mr. Preecha said. "It will be a chance for us to demonstrate that we are not idle about crimes against intellectual property rights."

The government will organize training on related law enforcement for senior police officers to improve officials' understanding of the issue. "We are not aiming to how well we could do," Mr. Preecha said,

"but at good cooperation from the private sector to solve the problem." US film makers recently lauded Thailand for its suppression of offenders.

Ministry of Commerce together with Department of Special Investigation and Bangkok Government will sign MoU under Anti-Piracy Crackdown.

7. IP office at Khon Kaen University

(from Krung Thep Thurakit Newspaper, Economic Section, Page 31, Thailand, 18 May 2006)

Ass.Prof. Pisit Charoensudjai, deputy rector research department of Khon Kaen University, said all works, which related to intellectual property is very important. Then the university together with Intellectual Property Department set up the IP administrative office, aims to push lecturers and researchers realize how important to register their research. IP office is also corporate with DIP.

8. World Cup counterfeiters eyeing Bt1-bn pay-day

(from The Nation Newspaper, Business Section, Page 1B, Thailand, 23 May 2006)

Authorised suppliers of branded football-related products are concerned that World Cup fever will push demand for counterfeit goods through the roof, with sales of pirate-wear potentially topping Bt1 billion before the month-long tournament ends.

Porntip Wattanapholmongkol, managing director of Wise Winner Co Ltd, an authorized distributor and manufacturer of selected products by English sportswear company Umbro, said the more the excitement grew, the more money pirated sportswear companies would look to make.

Porntip said many counterfeiters were able to closely copy the design and even the fabrics of the real thing. But because they are not authorized and do not have the same overheads, they can charge far less for their goods.

An authentic T-shirt, she said, complete with a national-team graphic, cost Bt2,790, while fakes sold for as little as Bt200 to Bt400, so consumers who were not worried about authenticity would go for the cheaper option.

In an attempt to curb the activities of pirates, many international sportswear companies have sent representatives to Thailand, which ranks alongside China and Hong Kong as one of the world's counterfeiting hubs.

Porntip said her company worked hard to protect Umbro from counterfeiters by conducting rigorous checks of stock released from its factory.

In addition, the company offers consumers an alternative to counterfeit goods with a range of low priced products. She said selected T-shirts sold for as little as Bt295 to Bt790 yet retained the high quality for which Umbro is known.

9. Call to revoke 'Rusei Dutton' yoga trademarks

(from Post Today Newspaper, Prime News Section, Page A1, Thailand, 26 May 2006

Bangkok Post Newspaper, Prime News Section, Page 1, Thailand, 27 May 2006

The Nation Newspaper, Prime News Section, Page 1A&2A, Thailand, 27 May 2006

Post Today Newspaper, Prime News Section, Page A1, Thailand, 27 May 2006

Krung Thep Thurakit Newspaper, Economic-Industry Section, Page 5, Thailand, 27 May 2006

Matichon Newspaper, Page 1&12, Thailand, 27 May 2006

Kao Sod Newspaper, Page 1&14&15, Thailand, 27 May 2006

Thai Rat Newspaper, Page 8&9, Thailand, 27 May 2006

Organisation of Asia-Pacific News Agencies, 27 May 2006)

Post Today Newspaper, Today's News Section, Page A12, Thailand, 28 May 2006

Post Today Newspaper, Editorial Section, Page A4, Thailand, 28 May 2006)

Deputy Public Health Minister, Anutin Chanweerakul, had been informed by Thai people who live in Japan that there were Japanese man registered trademark under name "Rusei Dutton". Later, Intellectual Property Department found the fact that Japan Patent Office (JPO) has approved the application for two trademarks on the Thai traditional exercise pattern to yoga business operator Masaki Furuya in February and March. These allow Mr. Furuya to use the word "Rusie Dutton" and its pattern for commercial exploitation, including adverts in the media and a logo for his Thai yoga school in Japan.

Rusie Dutton ("Hermit Body Twists") refers to a style of posture-based Thai exercise that can be traced back to the reign of King Rama I.

Therefore, the Intellectual Property Department on Friday 26 May 2006 asked Tokyo to revoke trademarks on "Rusie Dutton" Thai traditional "hermit" yoga postures granted to a Japanese businessman earlier this year. As Japanese patenting laws allow the public to oppose trademark registration within 60 days of the approval date.

"Monday 29 May 2006 is the deadline for a written objection to the first trademark for adverts in printed media and June 17 for the second trademark. We still have time to object to the trademark registrations," said Intellectual Property Department director-general Kanissorn Navanugraha.

The department submitted an official objection to the JPO and hired a Japan-based law firm to follow up on the case. Mr Kanissorn said the trademark registrations of "Rusie Dutton" Thai traditional exercise violated both international and Japanese intellectual property laws, which prohibit the registration of widely-recognised goods or services with no innovation.

However, if Thailand's objection bid fails, the government could still bring the case before the Japanese intellectual property rights court within five years.

Mr Kanissorn said the department had also submitted an objection to a trademark application for "Rusie Dutton" by another Japanese businessman, Koji Komiya, who plans to use Thai traditional exercise in his cosmetic and yoga school businesses.

Pennapa Subcharoen, deputy chief of the Department for Thai Traditional and Alternative Medicine, said the department had strong evidence to prove that the 108 "hermit" exercise postures belong to the Thai alternative medicine treatise. The evidence includes "Rusie Dutton" statues at Wat Po, poems, paintings and traditional medicine, containing information about the exercise.

Meanwhile, Preeda Tangtrongchit, a trainer at the Wat Po Thai Traditional Medical School, said that Mr Furuya had taken a Thai massage training course at the school. Mr. Preeda said the school never allows Mr. Furuya to register Rusei Dutton as a trademark in Japan by adding the photo that Mr. Furuya took with him as a reference.

Dr. Tanit Changtawarn, legal officer of National Centre for Genetic Engineering and Biotechnology (BioTech), said all related offices, head by DIP is drafting a law on protection on local wisdom, which would be release soon.

Mr. Yenchai Laohavanich, President of Thai Invention Association said that the Commercial Attaché representatives in 53 countries should look after country's national properties instead of other duties. Also the government should increase budget for IP issues, he added. Thailand should held international conference to make clear for IPRs.

10. World Cup cable copyright

*(from Post Today Newspaper, Today's News Section, Page A2, Thailand, 30 May 2006
The Nation Newspaper, Thailand, 30 May 2006)*

The Intellectual Property Department will this week discuss with the DhosPaak Communications Agency, the sole authorised broadcaster of this year's World Cup matches, whether its contract covers rebroadcasts.

Department director-general Kanissorn Navanukroh said this would allow restaurants and other commercial venues to learn whether they could telecast football matches on their premises without breaching intellectual property rights. If DhosPaak's contract does also covers re-broadcasts, venues would need its consent before showing the matches on their premises.

11. Dept admits delay drafting law allowed piracy

(from Bangkok Post Newspaper, Home News Section, Page 4, Thailand, 30 May 2006)

The Department of Traditional and Alternative Medicine Development has conceded that its sluggishness in drafting a law on protection of traditional medicinal knowledge was partly to blame for the "piracy" of local wisdom by foreigners.

Knowledge of traditional medicinal treatments, including the "Rusie Dutton" Thai "hermit" yoga postures, would not have been "stolen" if the draft law had been enforced sooner than this, said Pennapa Subcharoen, the department's deputy director-general.

Dr Pennapa's comments came after the country learned that the Japan Patent Office approved the applications for two trademarks on the Thai traditional exercise pattern by yoga business operator Masaki Furuya in March and February this year.

"The department started drafting the law three years ago and it should have come into effect from the beginning of this year. But a fierce debate among drafters and traditional medicine experts over some clauses made us lag behind the schedule," she said.

Dr Pennapa said the law could in the future prohibit trademark registration of Thai traditional medicinal treatments. All traditional medicine formulae and recipes and treatment procedures would be listed on the law's inventory, which will prohibit patent or trademark registration of items on the protection list.

It would also limit a number of Thai herb exports to foreign countries to prevent smuggling of medicinal plants for commercial exploitation by foreigners.

Dr Pennapa also said "Thai local wisdom" had been patented in many developed countries, for example Naut Thai (Thai massage) in the US with no action from the Thai government on the issue.

MALAYSIA

News in May 2006

1. Malaysia seizes US\$92,000 worth pirated software copies in surprise raids
2. Vendor picks wrong customer
3. Malaysia government taking strong stand on IPR protection
4. Malaysia to set up anti-piracy court ahead of US trade talks

1. Malaysia seizes US\$92,000 worth pirated software copies in surprise raids
(from Associated Press Newswire, 3 May 2006)

Malaysian authorities confiscated illegal software worth at least 332,000 ringgit (US\$92,000; euro73,000) from five companies in the government's latest clampdown on copyright piracy, an official said.

Enforcement officers from the Domestic Trade Ministry seized the software in surprise raids on offices on the outskirts of Kuala Lumpur between March 27 and May 2, said Iskandar Halim Sulaiman, head of the ministry's intellectual property protection unit.

Thirty-one computers with 211 copies of unlicensed software were seized from three offices, Iskandar said, noting that company officials will likely be prosecuted pending investigations.

Under Malaysia's copyright laws, corporate managers face up to five years in jail and a fine of 20,000 ringgit (US \$5,000; euro4,500) for each unlicensed software in their possession.

Government authorities announced in March that more than 2,000 officers would begin inspecting businesses nationwide for unlicensed software use with the help of the Business Software Alliance, an international anti-piracy watchdog.

Some 61 percent of all software used in private businesses in Malaysia in 2004 was illegal, the latest year for which figures are available, according to the BSA. Malaysia's software industry lost 509 million ringgit (US\$134 million; euro113 million) to piracy that year.

2. Vendor picks wrong customer

(from Bangkok Post Newspaper, International News Section, Page 4, Thailand, 9 May 2006

The Nation Newspaper, Regional News Section, Page 6A, Thailand, 9 May 2006

Post Today Newspaper, International Economic Section, Page A12, Thailand, 9 May 2006)

A Malaysian street vendor was arrested after he tried to sell pirated DVDs of Hollywood blockbusters to a government minister.

The unidentified man failed to recognise Domestic Trade Minister Shafie Apdal, who was having a drink in Kuala Lumpur's plush suburb of Bangsar last week, and approached him with a wide range of the latest movie titles, it said.

Mr Shafie did not reveal his identity to the vendor but he summoned enforcement officers to secretly trail the man and raid his operation, the ministry's assistant director of enforcement, Mr Abdul Madi Wahab, was quoted.

Officials eventually detained the man in a nearby shop and seized some 7,000 illegal copies of new releases like Ice Age 2 and Mission: Impossible III stashed in his car, Mr Abdul Madi said.

The man "said that he did not recognise Shafie and that he had approached him like he did any other customer," he added.

3. Malaysia government taking strong stand on IPR protection

(from Bernama Daily Malaysian News, 9 May 2006)

The Malaysian Government is taking a strong stand on the protection of intellectual property rights (IPR), says International Trade and Industry Minister Datuk Seri Rafidah Aziz.

The American business community is therefore assured that the Malaysian government safeguards intellectual creations and technology inventions, Rafidah said. Malaysia's IPR enacted legislations and regulations conformed to international standards to protect foreign and local investors, she said.

The current legislations and regulations in place for intellectual property protection are Patents Act 1983 and Patent Regulations 1986, Trademarks Act 1976 and Trademarks Regulations 1997, Industrial Designs Act 1996 and Industrial Designs Regulations 1997, Copyright Act 1967 and Layout Design and Integrated Circuit Act 2000.

4. Malaysia to set up anti-piracy court ahead of US trade talks
(from *Agence France Presse*, 23 May 2006)

Malaysia will set up a special court to handle complaints on infringement of copyright and trademark, officials said in a move triggered by trade talks with the United States.

The United States said earlier this year that Malaysia had to do "a lot more" to battle piracy and protect intellectual property right ahead of negotiations for an free-trade agreement due to begin next month.

Domestic Trade and Consumer Affairs Minister Shafie Apdal said the move to set up the intellectual property rights (IPR) court next year was in line with efforts to eradicate piracy and counterfeiting activities in Malaysia.

He said the government would continue to revamp laws concerning infringements of copyright and trademark and urged prosecutors to keep abreast of changes in the law.

"Technological advances especially those associated with digital information systems and the Internet have already altered the profile and modus operandi of the crime," Shafie was quoted as saying by the official Bernama news agency.

Despite periodic busts on peddlers of pirated discs, illegal copies are freely available in Malaysia, even in major shopping malls, and prosecution of offenders moves at a slow pace.

Washington has set an ambitious timetable for the FTA to be signed, saying it hopes to finish negotiations by year's end. The Bush administration then has to pass the deal through the US Congress before July 1, 2007, when its special authority to present agreements for a simple "yes or no" vote expires.

SINGAPORE

News in May 2006

Software piracy in Singapore down
(from *Business Times*, Singapore, 24 May 2006)

Going against the upswing in software piracy rates in the Asia-Pacific region, the use of bootleg programs here has dropped to its lowest level in recent years.

According to a report released by the Business Software Alliance (BSA), an anti-piracy trade group supported by major technology companies, 40 per cent of the software installed on local PCs last year was illegal. This is a two percentage point drop from 2004 and, for the first time, puts Singapore among the top 20 countries with the lowest piracy rates.

The local findings are part of an annual BSA-commissioned survey carried out by market research firm IDC. Now into its third year, it measures piracy levels among consumers and businesses across 97 countries worldwide.

Singapore's use of pirated software stood at 43 per cent when the survey was introduced in 2003, then dropped to 42 per cent the following year. BSA estimated that software piracy translated to almost US\$86 million in losses for the local technology sector in 2005, down from US\$96 million the year before.

The introduction of tougher copyright laws, stricter enforcement action by local authorities and better public education are three key factors in the steady wane in software piracy here, said Jeffrey Hardee, BSA's vicepresident and regional director for Asia. 'Going forward, we'll see further reductions in Singapore,' he said.

On the regional front, the study revealed that the piracy rate for the entire Asia-Pacific area was up by one percentage point to 54 per cent in 2005, with rising computer sales to mammoth PC markets like China and India cited as the main reason for the increase.

Globally, software piracy rates dipped in 51 out of the 97 countries surveyed and only increased in 19. The levels were unchanged in the remaining markets.

Despite its improvement from last year, Vietnam has the highest piracy rate at 90 per cent, and the US has the lowest at 21 per cent.

PHILIPPINES

News in May 2006

1. US offers assistance to Asean-wide fight vs counterfeiters
2. Raid on 26 warehouses yields smuggled, fake goods
3. Pirated software seized in Pasig
4. Intellectual Property office to be set up in Davao
5. RP software piracy rate stayed at 71% in 2005

1. US offers assistance to Asean-wide fight vs counterfeiters
(from *Business World*, 1 May 2006
Manila Bulletin, 17 May 2006)

The United States government has offered to assist the Philippines and other members of the Association of Southeast Asian Nations (ASEAN) to stop the cross-border flow of counterfeit goods.

Intellectual Property Office of the Philippines (IP Philippines) director-general Adrian S. Cristobal Jr. said in a press release that US Ambassador to the Philippines Kristie Kenney has offered to assist in upgrading the technical capability of government offices involved in intellectual property protection.

"We had a positive meeting with the US ambassador. Ms. Kenney has offered closer cooperation between the US and the Philippines to strengthen IP protection," said Mr. Cristobal. "The US ambassador said the grant of technical assistance or training may be done through USAID," he said.

"The US government is supportive of [plans] to explore bilateral cooperation agreements to strengthen IP protection with China and other countries in ASEAN," he added.

Earlier, Mr. Cristobal said the government is keen on forging bilateral deals with other Asian countries, including China, Malaysia and Thailand, to strengthen border controls and stem the flow of counterfeit goods.

IP Philippines noted that while the Philippines' standing in the US Trade Representative's (USTR) list of countries violating intellectual property rights has improved, USTR has expressed concern over the continued flow of pirated goods from other Asian markets into the Philippines. IP Philippines estimates that around 85% of counterfeit goods now being sold in the country come from abroad.

IP Philippines aims to get off the USTR's list of IP violators within two years.

Earlier, the Philippines was removed from the priority watch list, together with Malaysia, Indonesia, South Korea and Taiwan. Upgrading to ordinary watch list removed the threat of trade sanctions against the Philippines such as the suspension of privileges under the Generalized Systems of Preference, a scheme that allows certain Philippine exports to enter the US duty-free.

2. Raid on 26 warehouses yields smuggled, fake goods

(from The Manila Times, 5 May 2006)

A combined force made up of agents of the Bureau of Customs, the Criminal Investigation and Detection Group (CIDG) and PNP Special Action Force (PBNP-SAF) raided 26 warehouses in Tondo, Manila, and seized hundreds of millions of pesos worth of smuggled and counterfeit goods.

Armed with a search warrant from the court, Acting Customs Commissioner Napoleon Morales, head of the Task Force on Antismuggling (TFAS), led the raid on a big compound at 1613 Antonio Rivera Street, Tondo, Manila.

Found inside the warehouses were illegally imported goods, including counterfeit signature items such as La Coste shirts, Nike shoes, signature-brand belts and wallets.

Under the law, Morales explained, the Customs bureau has "visitorial power," authorizing it to demand evidence of payment of duties and taxes on imported goods even if they are already outside of the Customs zone.

Morales said an investigation would follow and charges would be filed against the brokers or importers and as well as Customs personnel who facilitated the release of the goods.

The raid was the second since Morales took office as Customs commissioner. In March the 168 Shopping Mall was raided, which enabled the bureau to collect more than P200 million in additional duties and taxes from some of the mall's 2,000 stall owners.

3. Pirated software seized in Pasig

(from Philippine Daily Inquirer, 15 May 2006)

Close to P20 million worth of unauthorized computer programs were seized by agents of the National Bureau of Investigation in simultaneous raids on two design firms in Pasig City.

NBI Intellectual Property Rights Division chief Jose Justo Yap said Autodesk Inc., manufacturers of the Autocad program, filed a complaint with the NBI regarding the firms' use of unauthorized copies of the software.

NBI operatives were able to obtain a search warrant from Manila Regional Trial Court Judge Antonio Eugenio Jr., authorizing them to conduct raids on Beyond Space Group Inc., located at Unit 2004 Antel

Global Corporate Center 3, and One Asia (Philippines) Inc., located at Unit 2401 and 2404 of the same building.

NBI agent Joseph Furing said the operatives were able to seize 46 personal computers containing 76 pieces of unauthorized Autocad software worth P19.9 million.

Furing said that while Beyond Space was involved in mechanical and electrical designs, One Zone Asia focused on engineering designs. He added that both firms violated Section 177.1 in relation to Section 217 of Republic Act No. 8923 or the Intellectual Property Law.

4. Intellectual Property office to be set up in Davao
(from *Business World*, 22 May 2006)

A field extension of the government's Intellectual Property Office will be established in this city within the year.

Intellectual Property Office director-general Adrian Cristobal said a satellite office here would protect local ideas and creations, especially those by Mindanao inventors and academics. The decision came after a resolution was submitted to the city council by Davao City councilor Peter Lavina.

"Intellectual property is an intangible wealth that has to be harnessed. With that, we have already decided to put up a satellite office here. It will be lodged within the Department of Trade and Industry's regional office," Mr. Cristobal said.

The agency was formed by Republic Act 8293, or the Intellectual Property Code of the Philippines, in 1997 to implement policies that protect copyright and related rights, trademarks and service marks, industrial designs, patents, layout designs of integrated circuits, and even trade secrets. Merly M. Cruz, regional Trade and Industry director, had earlier asked Mindanao's inventors, artists, and others to register their creations with the government for protection.

Traders have said cases lodged with local courts involving distribution by local outlets of counterfeit products using labels of multinational brands have been on the rise. The city has been a major market for cheap consumer goods, some of which were counterfeit products made in neighboring countries.

5. RP software piracy rate stayed at 71% in 2005
(from *INQ7.net*, 23 May 2006)

The Philippine packaged software industry lost 76 million dollars to piracy in 2005 but piracy rates remained at 71 percent, a recent global survey by the International Data Corp. (IDC) and Business Software Alliance (BSA) showed.

The survey also said piracy rate was at 71 percent but losses due to software piracy reached 69 million dollars.

Walter Lee, vice president for consulting and partnering research of IDC, said losses were higher last year as shipment of computers increased in 2005 while piracy rates remained.

Jeffrey Hardee, vice president and regional director for BSA Asia Pacific, said there is still a need to increase government enforcement and education efforts to bring down piracy rates in the Philippines. He noted that the Pilipinas Anti-Piracy Team, a government and private-sector led enforcement effort to go after software pirates, conducted at least 29 raids against end-users and channels last year, according to Hardee in a teleconference with local media in Manila.

Hardee stressed that previous studies have shown that lowering software piracy rates contribute to the overall economic progress in terms of increasing the country's gross domestic product.

Hwee-Chong Ng, chair of the BSA Philippines committee, said that the 71-percent piracy rate for the Philippines indicates that software piracy remains a serious problem in the country, especially among corporate end-users.

The study is part of an annual BSA-IDC global study on piracy rates for packaged software.

The survey showed that software piracy rate has remained at 35 percent, Hardee said.

INDONESIA

News in May 2006

1. Violation of IPRs is high; RI put into the priority watch list
2. BSA probes use of illegal software by 20 firms in Indonesia
3. Lack of software options contributes to piracy
4. USTR reviews Indonesia's status in August

1. Violation of IPRs is high; RI put into the priority watch list
(from *Bisnis Indonesia*, 2 May 2006)

Indonesia is again put into the priority watch list by the United State Trade Representative (USTR) since the representative views that the law enforcement in the protection of the intellectual property rights is still poor.

However, the USTR will still make Out-of-Cycle Review (OCR) of improvements in some intellectual property rights-related issues. Indonesia has been five times in a row put into the priority watch list.

Indonesia is the only country in Southeast Asia included on the list.

The US urges Indonesia to apply laws effectively in order to reduce the circulation of pirated products, such as by seizing pirated products and conducting break-in operation to optical disc (CD, VCD, DVD) facility.

The USTR also presses the Indonesian government to detain and imprison the violators of intellectual property rights. The USTR, however, admits that Indonesia has showed some significant improvements in issues related to the intellectual property rights last year.

2. BSA probes use of illegal software by 20 firms in Indonesia
(from *Asia Pulse*, 15 May 2006)

Business Software Alliance (BSA) said it is investigating 20 private companies, including foreign companies, operating in the country suspected of using illegal software products.

They are large companies and some of them are multinational companies operating in various business areas such as consulting and architecture, Tarun Sawney, ant piracy director of BSA, said.

Sawney said BSA has received 300 reports about companies using illegal software products, including 64 reports this year.

He said in cooperation with police BSA will raid the 20 companies in the next three to four months. He praised firm action taken by Indonesian court against perpetrators of software piracy, pointing to appeal court's recent decision increasing the sentence of software piracy convicts to three years from one year verdict by a district court.

3. Lack of software options contributes to piracy

(from The Jakarta Post Newspaper, Indonesia, 26 May 2006)

Indonesian Telematic Software Association president Djarot Subiantoro said Wednesday that a lack of alternative original software had contributed to the high level of software piracy in Indonesia.

"Most of the pirated software products are those intended for the mass market, which can be used by anyone," he said, adding that only about 10 percent of software companies developed products for the retail market, while the other 90 percent focused on developing products for corporations and institutions.

"This means that ordinary PC users have few alternatives for getting original software other than that which is already being distributed on the market," he said after attending a ceremony to announce the winners of the Imagine Cup 2006 Indonesia Software Design Contest.

Although the government has passed the Antipiracy Law (No. 19 of 2002) and launched raids on vendors of pirated software, Djarot said that this would not be effective in eradicating piracy as long as there were insufficient original software products for consumers.

Therefore, people preferred pirated products, which were cheaper, thus causing the demand for pirated software to remain high.

4. USTR reviews Indonesia's status in August

(from Bisnis Indonesia, 30 May 2006)

The United State Trade Representative (USTR) is going to conduct out-of-cycle review (OCR) on Indonesia's Intellectual Copyrights Protection Indonesia in August this year.

The OCR is made because the USTR views that Indonesia has made some significant improvements in the law enforcement in the Intellectual Copyright Protection sector, especially copyrights.

Director General of Intellectual Property Rights at the Department of Justice and Human Rights Abdul Bari Azed revealed that he had just received an action plan proposal from the USTR containing the measures that Indonesia should take to improve its status from the current priority watch list.

The action plan proposal, Bari informed Bisnis yesterday, would be deliberated together with the Indonesian government. "The Action plan will serve as a reference for the USTR to conduct out-of-cycle review (OCR) in August."

In the action plan, added Bari, the USTR wanted the government to continue making registration of optical disc copying factories and continue sweeping on illegal and pirated VCD,DVD, and CD in malls and retailers.

The USTR also asked the Indonesian government to eradicate all copyrights-related illegal products.

In addition, revealed Bari, the USTR wanted to know the follow-up of the sweeping on illegal and pirated optical disc products. "The USTR wants to know the handling and trial of the cases," he inserted.

He was optimistic that the OCR would be able to get Indonesia out of the priority watch list status since the government had made significant improvement in the protection against copyright violations. "The government has been committed to give legal protection to businesses' Intellectual Copyrights," he asserted.

VIETNAM

News in May 2006

1. Competition law, IP regulations overlap
2. WTO aspirations a force for change in Vietnam
3. Vietnam software piracy rate highest
4. Intellectual Property law confuses software makers

1. Competition law, IP regulations overlap
(from *Thai News Service*, 12 May 2006)

In enacting the Law on Competition in 2004, Vietnam showed not only its determination to integrate into the international economy but also expressed the attitude of the State toward the need to protect the legitimate interests of businesses in operation. The new law marks the first time specific regulations identify acts of unfair competition and procedures and sanctions for them.

The law names such acts of unfair competition as false advertising, collusion and price-fixing by an association, and pyramid schemes. At the same time, the law lays down criteria for identifying other acts of unfair competition not anticipated by legislature.

In particular, pursuant to item 4, Article 3 of the Law on Competition, an act of unfair competition occurs is defined as: (i) an act in the course of business (ii) against normal standards of trading morality (iii) which damages or threatens to damage the interests of the State, other enterprises or consumers and (iv) is intended to achieve competitive advantage.

As a matter of practice, however, authorised agencies are still rather afraid of applying these criteria to identify specific actions that should be considered acts of unfair competition, such as illegal use of trade names of other enterprises or fraudulent designation of place of origin of certain goods. There have yet to be any guiding documents or regulations issued giving more details on applying the law's criteria.

Thus, some two years after the Law on Competition was promulgated, its implementation has been ineffective and acts of unfair competition have not been addressed by authorised agencies, allowing the interests of the State, enterprises and consumers to continue to be violated.

In the field of intellectual property, one in which violations happen regularly and increasingly, regulations on the sanctions imposed are unclear and overlapping.

The 2004 Law on Competition and its guiding Decree No 120/2005/ND-CP, dated September 30, 2005, purport to regulate acts of unfair competition involving intellectual property, while Decree No 54/2000/ND-CP of October 3, 2000, on protecting industrial property in the form of trade secrets, geographical places of origin, and trademarks continues in effect, as does Decree No 12/1999/ND-CP of March 1999 applying administrative penalties in the field of intellectual property.

The overlap of regulations in this area puzzles both authorities and enterprises in dealing with cases of infringement on industrial property, trade names and the like.

2. WTO aspirations a force for change in Vietnam
(from *South China Morning Post*, 16 May 2006)

Vietnam is now firmly headed down the path to World Trade Organisation membership following an agreement in principle to normalise trading relations with the United States. Ascension to the international trade body could come towards the end of this year, a welcome move that, although not a proven means of poverty reduction, is already transforming the lives of millions of Vietnamese.

They are gradually benefitting from the series of far-reaching reforms that Vietnam has had to implement to gain WTO membership. Laws and ordinances already passed or amended include those on international treaties, enterprises, value-added tax, excise tax, foreign exchange and investment. New legislation has also been passed in areas such as tourism, the railways, intellectual property, education, pharmacy services, import and export duties and the civil code.

Expected this month and next are laws and ordinances on securities, lawyers, settlement of administrative cases, standardisation, and enforcement of court judgments, the Vietnamese say. In coming months, outstanding laws have to be approved and the finishing touches put on a multilateral agreement to bring Vietnam's overall trade regime in line with global rules.

It is a formidable list, but one essential for WTO membership for the communist-governed country of 83 million people. The US is the last of the nation's major trading partners yet to complete a bilateral deal and if one is signed next month, as expected, the way ahead should be trouble-free. Vietnam hopes membership will have been sealed by the time it hosts the Asia-Pacific Economic Co-operation forum's annual summit in November.

3. Vietnam software piracy rate highest
(from *The Saigon Times Daily*, 31 May 2006)

Vietnam remained one of the world's two countries having the highest software piracy rate last year though the rate already dropped to 90% from 92% in 2003 and 2004, says a recent IDC report.

Zimbabwe and Vietnam were in the same place, followed by Indonesia with 87%, China and Pakistan 86% and Ukraine 85%. The countries with the lowest piracy rate were the United States (21%), New Zealand (23%), and Austria and Finland (26%).

A Vietnam Association for Information Processing (VAIP) expert said on condition of anonymity that Vietnam, like other developing countries, had been struggling with the contradiction between the growing need for software application and the respect of copyrights.

There is a large number of Vietnamese needing to use software but software prices are too high to pay.

Copyright infringement is a threat to the industry and also causes tax losses. However, some improvements indicated education, enforcement and policy efforts were beginning to pay off, the expert added.

Deputy post and telemetric minister Vu Duc Dam told the Daily earlier that software piracy in Vietnam was serious, so the Ministry was determined to cope with this problem.

"Preventing copyright infringement must be a steadfast action that requires our effort to lay a foundation for the development of the software industry?" he said.

A study by the Business Software Alliance (BSA) shows that if copyright infringement in Vietnam declines by 10 percentage points from now to 2009, it will create as many as 4,000 jobs, US\$1 billion in GDP, US\$43 million in taxes and US\$726 million in revenue.

4. Intellectual Property law confuses software makers
(from *The Saigon Times Daily*, 31 May 2006)

Many local software firms are still puzzled about how to apply the newly passed intellectual property law in their operations, heard a seminar in HCMC.

Company owners raised questions at the seminar on how to deal with employees and business partners in a field whose products are solely the fruits of intellectual creation.

One of the major confusions concerns patent and copyright, which protect any application. Most of the companies at the seminar could not tell the difference.

“If I list my programmers as authors of our company’s software, will I be in trouble when they use their copyright to reproduce the software at another company, asked the owner of a software firm. And what if they use their author’s right to sue us or prevent us from making improvements to the software” another asked.

Copyright grants an author the right to protect the work so that no one can legally change the software without the author’s consent, said workshop instructor Dao Minh Duc.

“But the author has to prove such changes harm his or her prestige? said Duc, who is also head of the intellectual property department of the HCMC Service of Science and Technology.

Meanwhile, a company can preserve their ownership of a software program. Duc said if the company owned a patent for the software, people who participated in creating it could not reproduce it elsewhere.

Late last year, Vietnam passed the first act of a law on intellectual property, which still shows some differences compared to world conventions.

Programmers, ownership of applications they write for a company is handled differently in Vietnam.

Duc said in other countries, programmers whose task it is to write software modules for a company were not generally considered authors of the software.

INDIA

News in May 2006

1. India needs to work on FDI, copyright norms
2. India needs improved enforcement of IPR legislation: Microsoft
3. US plans to post ‘IPR attaché’ in Delhi
4. Patent pleas to be processed faster
5. US-India alliance for protection of IPR mooted
6. Inertia causes huge losses to film, music industry
7. US seeks Indian partnership in IPR protection
8. GI registration for Pokkali
9. Nath opens IPR office
10. Fake goods worth Rs399 mn seized in two years

1. India needs to work on FDI, copyright norms
(from *Financial Express*, 3 May 2006)

The US under secretary of commerce for international trade, Franklin L Lavin said that India needs to further liberalise its foreign direct investment (FDI) norms and address issues related to intellectual property rights for attracting American investments.

"A vibrant intellectual property rights (IPR) regime is critical to the promotion of a creative, technologically advanced Indian economy," he added. "India's FDI policy should be more flexible so as to allow more foreign equity and ensure a level-playing field for foreign and domestic companies," Mr Lavin said at a conference at the Indian Merchants' Chamber.

He added that the US has decided to post its representative in India to facilitate the process of creating a world-class IPR regime in the country. Mr Lavin also said that India needs to lower agricultural tariffs, have a vibrant IPR regime and open up its retail sector to foreign investment to further improve bilateral relations between the two economies.

"India needs to lower agricultural tariffs, have a vibrant IPR regime and open up its retail sector. A new US commercial service office at Calcutta will be set up soon and Indo-US trade to cross the \$40 billion target in next three years. He noted that India could be a global leader in pharmaceutical research and development. But until the IPR laws are world class, R&D will take place elsewhere.

2. India needs improved enforcement of IPR legislation: Microsoft
(from *Asia in Focus*, 9 May 2006)

India has strong legislation on Intellectual Property Rights (IPR) but still lacks adequate enforcement measures to check leakages such as piracy, a Microsoft official has said. "IPR legislation in India is considerably strong but strengthening of enforcement is required," the company's regional consultant (law & corporate affairs) South Asian Pacific, Tim Dwyer said when queried on the adequacy of Indian IPR laws.

* "The government should look into how IPR education like cyber safety can be included in school curriculum to create awareness among children.

* "Also the very high number of pending cases before the police is hindering them from focussing on IPR related matters," he said.

3. US plans to post 'IPR attaché' in Delhi
(from *The Hindu*, 9 May 2006)

In a bid to strengthen Indo-US co-operation in the realm of intellectual property rights (IPR), the US Government has decided to post an experienced US Patent and Trademark Office (USPTO) Attorney to the US Embassy in New Delhi as an 'IPR Attaché' for the next several years.

The attorney's job will be to work exclusively on furthering Indo-US co-operation in IPR. The US was putting considerable resources into helping India and other countries build capacity for implementing effective IPR protection.

"We also work with the FBI, Department of Justice, and the Customs Services to provide assistance in IPR enforcement as much as possible within resource limitations."

Mr Jardine said that the US Government was also working with the Indian Government on how best to target significant US technical assistance being earmarked for India this year to help build capacity in stronger IPR protection.

Global road He added that India, by initiating strong patent, copyright and trademark protection for all products produced through the "intellectual process", will be well on the road to ensuring it is a global player in innovative technology, housing a world-class services sector in the 21st century.

4. Patent pleas to be processed faster

(from The Economic Times, 12 May 2006)

The government ushered in a shorter time-frame for processing of patent applications by notifying the Patents (Amendment) Rules of '06.

The new rules bring in more transparency, decentralisation of the functioning of patent offices and simplify various procedures associated with grant of patent applications.

The move follows the introduction of product patents in line with India's commitment to the World Trade Organisation (WTO). "The thrust of the patents rules is to introduce transparency, decentralise the functioning of patent offices, simplify the procedures and to make them user-friendly, commerce & industry minister Kamal Nath said.

As per the changes notified under the patents (Amendment) rules, '06, patent applications are now to be published within one month after expiry of the statutory period of 18 months. In case of request for an early publication, the application is to be published within one month from the date of request.

This step will introduce an element of certainty regarding the date of publication, which was hitherto not available, according to an official statement issued here. Further, with a view to enforcing transparency and ensuring time bound disposal of patent applications, definitive time-frames have been prescribed for various activities of the Patent Offices.

A patent application now has to be referred to an examiner within one month of a request for its examination and the controller will be required to take a decision within one month of its submission, the statement said, adding that the first 'examination report' must be issued in six months of the date of request for examination of a patent.

In order to decentralise, as well as facilitate the patent administration, all patent-related activities can now be performed by all the patent offices in Calcutta, Chennai, Delhi and Mumbai. The time for granting permission to file patents abroad has been reduced to just 21 days.

Seeking to make the system more user-friendly, the time frame available for applicants and the public, have also been extended. Accordingly, the time-frame for making a request for examination has been extended from 36 to 48 months, while the time for filing a pre-grant opposition extended from 3 to 6 months.

The time for filing reply to pre-grant opposition extended from 1 to 3 months and that for meeting the requirements of the First Examination Report increased to 12 months.

The Patents (Amendment) Rules, '06 have been finalised through a consultative process involving patent attorneys, industry associations, government departments and other stakeholders.

5. US-India alliance for protection of IPR mooted

(from Financial Express, 15 May 2006)

The Bush administration has called for India and the US to become partners in Intellectual Property Rights (IPR) protection. Discussing the issue at a Confederation of Indian Industry (CII) function, Chris Israel, US coordinator for International Intellectual Property Rights said, "India and the US, which have been partners in growth, must be partners in IPR protection because a thriving, diversified economy must protect its intellectual property rights."

He said that the Bush Administration had developed an overall strategy for targeting organized piracy which is known as STOP with a five point programme: 1. empowering innovators to protect their rights, 2. increasing efforts to seize counterfeit goods at the borders, 3. pursuing criminal enterprises in piracy and counterfeiting, 4. working closely with industry, lastly, Intellectual property is the fuel that powers the engine of prosperity, fostering invention, he added.

6. Inertia causes huge losses to film, music industry
(from *The Press Trust of India Limited, 17 May 2006*)

Although the laws are in place, inertia is costing the film and music industry dearly with pirates walking away with huge profits on counterfeits, experts say.

Government estimates peg the losses for the entertainment industry at Rs 1,700 crore annually while a FICCI study suggests that losses total a whopping Rs 2000 crore for the film and Rs 700 crore for the music industry.

"One can safely add another 200 crores to the music piracy if the non-physical formats like the events and music played on radio are included," says D'souza of the Indian Music industry (IMI) that regularly conducts raids against violators. "The main reason that piracy continues to flourish is lack of action on the part of copyright owners to bring the culprits to book," he says.

"The film industry sees it as a lost cause," agrees activist-actor Shabana Azmi who has been signed on by Motion Picture Association as an anti-piracy ambassador. She points out that the Indian film industry which produces over 800 films each year, and is twice the size of Hollywood, loses money on nine out of every 10 films made - thanks to piracy.

"Piracy is becoming a national menace threatening future growth of creative industries, talent and employment," Azmi emphasises.

The FICCI study corroborates this. Piracy affects the Indian film industry more than American producers and distributors - 20 per cent of pirated goods are foreign film Titles - while the remaining 80 per cent of victims are Indian movies.

D'souza says that piracy menace is not limited to one part of the country but is spread across. "It's a cottage industry that is well-organised. The players operate like a parallel distribution network."

7. US seeks Indian partnership in IPR protection
(from *The Press Trust of India Limited, 17 May 2006*)

The United States urged India to join hands with it for Intellectual Property Rights protection.

"A thriving, diversified economy must protect its IPR. India and US which are partners in growth must be partners in IPR protection too," Christian Israel, US Coordinator for International IPR said while addressing the members of Bangalore Chamber of Industry and Commerce (BCIC) here.

"Intellectual property is a huge economic driver for the US. While US government spends nearly USD 135 billion on R & D activities related to healthcare, energy and security related fields, private sector invests USD 200 billion," Israel said.

Israel, who during his three-day visit met trade representatives and government officials in New Delhi said, "We are talking to different people on how India can be a partner in innovation, growth and in IP protection".

"We are also inviting best possible patents from India. We learnt that India has prepared a traditional database comprising 157,000 items. We are in the process of forming a working group to address concerns regarding post patent", he said.

About apprehensions on awarding patents for traditional Indian products like Basmati rice and turmeric, Dominic Keating, US Attorney of Trademarks office based in New Delhi said, "a second patent has been sought in US for such products and it relates to conducting research and development of base products".

A lot of work can be done in the development of traditional products and IPR protection will help Indian industry as well, he said.

8. GI registration for Pokkali (from *The Hindu*, 25 May 2006)

Representatives of Pokkali farm collectives, officials of the Department of Agriculture, Government of Kerala; and scientists from Kerala Agricultural University will meet at Paravoor Town Hall to discuss issues related to getting Geographical Indications (GI) Registration for Pokkali, a process, practice and produce that is unique to paddy cultivation in the coastal areas of the districts of Alappuzha, Ernakulam and Thrissur.

Sources in Kerala Agricultural University said that Pokkali farmers took a cue from a group of farmers in Palakkad who had applied for GI Registration for Matta variety of rice grown in the area. Aranmula Mirrors (Aranmula Kannadi) is the lone product from Kerala that figures in the Geographical Indications registry, it is learnt.

Geographical Indication is a mark that is used to recognize a manufactured product or a natural produce from a geographical region or locality within the region that has unique qualities and reputation linked to the place of its origin.

The Geographical Indications of Goods (Registration and Protection) Act was passed in India in 1999.

The law prevents unauthorised use of a Registered Geographical Indication by others. GI Registration can help boost exports and promote prosperity of producers even as the law confers the right to apply for registration on association of persons, producers, organisations or authorities established by or under the law.

The Kerala State Council for Science Technology and Environment, Kerala Agricultural University, Department of Agriculture and the Pokkali Land Development Agency, Ezhikkara, near Paravoor, have worked together for the GI registration purpose.

Pokkali rice is a salt-resistant variety unique to the coastal stretches of the three districts of the State.

As a process, the farmers switch Pokkali fields into shrimp farms using traditional methods. A meeting of Pokkali farmers and scientists were held on May 4 in Paravoor.

9. Nath opens IPR office
(from *The Statesman*, 26 May 2006)

The commerce and industry minister, Mr Kamal Nath, underlined the need to use intellectual property rights (IPRs) to increase the competitiveness of Indian industry and business.

This was especially true in the light of the present trends of global sourcing of products and services, Mr Kamal Nath said inaugurating a modern integrated IPR office at Antop Hill in Mumbai. With our heritage, of traditional knowledge, rich bio-diversity and huge technical and scientific manpower we can effectively harness our internal property capabilities and heritage for economic growth and development and make India a knowledge super power, the commerce minister said.

10. Fake goods worth Rs300 mn seized in two years
(from *The Press Trust to India Limited*, 30 May 2006)

India Inc has already launched a major counter offensive against a counterfeit goods market estimated at Rs 200 billion even as the US insists on stronger Intellectual Property Rights (IPR) protection in the country.

The major corporate houses have begun cracking down on this counterfeit menace jointly with police and private investigative agencies and their efforts are already bearing results as Rs 300 million worth fake goods have been seized from the four metros in the last couple of years.

Delhi tops the list with seizures worth Rs 21 crore since 2005, followed by Mumbai police Rupees four crore (since 2003), Chennai Rupees three crore and Kalkutta Rupees two crore.

Since 2003 till date, Mumbai police have registered 256 cases and arrested 517 accused. Since 2005, Delhi police have registered 69 cases and arrested 101 accused.

According to ACP Special Crime Cell (Trademarks and Copyrights), Chennai K S Murali, 150 cases have been registered and over 30 people arrested. Calcutta police have registered 60 cases and arrested 100 people, DCP Enforcement, Shashikant Pujari said.

The guilty are liable for rigorous imprisonment of three years or more and penalty of Rupees two lakh or more as per under Copyrights Act and Trademarks Act, DCP Apranti said. According to ACP Cyber Crime Cell, Chennai S Balu, the police recently busted a counterfeit credit cards racket after arresting five Sri Lankans.

Giving credit to the private investigative agencies for the success, Vice President (Legal and Company Secretary) Hindustan Lever Limited, Ashok Gupta said, "Police alone can not initiate any action. It needs the industry's support. Such agencies are a bridge between the industry and law enforcers. They help in the crusade against IPR violations."

One such major agency is Mumbai-based Enforcers of Intellectual Property Rights (EIPR) which alone has helped the police seize Rs 21 crore worth of fake goods for the companies out of the total Rs 30 crore counterfeit goods seized till now.

According to Chairman and Managing Director of EIPR Zaheer Khan, involvement of the industry and law enforcers is necessary to eradicate the menace of counterfeits.

LEBANON

News in May 2006

1. Piracy sweep nets \$3 million in CDs, games
(from *Daily Star*, 24 May 2006)

The Lebanese authorities confiscated 100,000 pirated CDs and computer games valued at \$3 million as part of a campaign to crack down on copyright violations. In a statement to the press, the authorities said that the police raided dozens of shops throughout the country that sell pirated CDs and games.

Western ambassadors have warned the government that the country's poor record on copyright protection could harm its chances of joining the World Trade Organization.

The government has vowed to stamp out intellectual property violations and to cooperate with software companies to repair Lebanon's image abroad.

Several shops that sell pirated CDs and computer games admitted that their business had fallen off drastically as a result of the campaign.

"We are hiding the pirated CDs in our houses and our cars and if a well-known customer shows up we bring the stuff to him," one shop owner said on condition of anonymity.

Pirated CDs and games are sold for less than \$5 apiece, in cases where the original software costs as much as \$300.

Aly Harakeh, the official spokesman of Business Software Alliance (BSA), praised the government initiative.

According to Lebanese law, individuals selling pirated software will be fined LL5 million (\$3,333) and could face a jail sentence of three years. The penalty will be doubled if the crime is repeated.

2. Lebanon makes 'credible' headway in war against pirated software
(from *Daily Star*, 30 May 2006)

According to a study by Business Software Alliance (BSA), the organization dedicated to promoting a safe and legal digital world, Lebanon has made strides over the last year in its efforts to bring down software piracy rate in the country and has dropped out of the list of 20 global nations with the highest piracy rates.

The independent study conducted by the International Data Corporation, the IT industry's leading global market research and forecasting firm, showed Lebanon's piracy rate to have declined from 75 percent in 2004 to 73 percent in 2005. Total losses incurred by Lebanon on account of software piracy in 2005 totaled \$36 million.

Lebanon's piracy level is still way above the global average of 35 percent as well as the Middle East average of 57 percent. According to the BSA study, global losses from software piracy amounted to \$34 billion in 2005, an increase of \$1.6 billion over the previous year. The countries with the largest percentage point drop in piracy rate during the past year were Ukraine with six points, and China, Russia and Morocco with four points each.

UZBEKISTAN

News in May 2006

Tashkent seminar discusses copyright protection in ICT
(from *UzReport.com*, 31 May 2006)

The seminar took place in International Business Center in Tashkent on " Protecting rights of intellectual property in the field of ICT ".

Representatives of Legislative chamber, Oliy Majlis, officials from state bodies, international organizations, experts in the sphere of information technologies and the rights participated in the event.

The event was organized by the Uzbek Agency of Communication and Information, the Uzbek Republican Agency of Copyrights, the State Patent department, the Association of the Companies on Information Technologies and in cooperation with the United Nations Development Program.

Participants expressed their opinion on problems of protection of copyrights, trademarks and patenting procedures, results of joining of Uzbekistan to international agreement, as well as impact of existing intellectual property protection system to development of private sector.

The project "Guide on protection of copyrights" was presented at the seminar. The book covers copyrights and their protection. The participants also paid attention to issues on introduction of changes and amendments to legislation to solve problems on protection of intellectual property.

Sherzod Shermatov, advisor on knowledge management and ICT solutions of UNDP, said such events are dialogue between government bodies and private sector in ICT. This gives opportunity to determine existing problems and solutions to them, he said.

UNDP in Uzbekistan pays special attention to protection of copyrights and encourages development of alternative software, as free and open source, he added.
