

Monthly Report of November 2003

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THAILAND

News in November 2003

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1. Ultraman dispute continues

(from Bangkok Post Newspaper, Business Section, Page 8, Thailand, 1 November 2003)

Pro Link Co, the licensee for merchandising in Thailand of five new Ultraman characters from Tokyo-based Tsuburaya Productions, filed a complaint with the police charging Sompote Saengduenchai of falsely claiming copyright ownership one of the latest Japanese animation figures.

The firm said Mr Sompote, the owner of Tsuburaya Chaiyo Co, claimed to own the Ultraman Cosmos through an advertisement in a local Thai-language newspaper.

Sompote Thianthong, managing director of Pro Link Co, said Mr Sompote's action was intended to damage the business of Tsuburaya Productions.

The court battle is pending a high court ruling in Tokyo, while in Thailand, Tsuburaya Productions is appealing the case with the Supreme Court, accusing Tsuburaya Chaiyo of making a fake contract with Tsuburaya Productions founder Noboru Tsuburaya to own nine other Ultraman characters.

2. Force BOI for CD making

(from Daily News Newspaper, Thailand, 4 November 2003)

Mr. Watana Muangsook, Deputy Commerce Minister said that the Commerce Ministry would ask the corporation from BOI regarding the investment card for tape and CD business in Thailand. As for this moment the consumer's demanding is lower than the supply. So if they allow more this kind of business, it would be caused of piracy. Moreover, he would like to see more penalties of this case.

3. Crackdown on counterfeit batteries

(from The Nation Newspaper, Business Section, Page 5B, Thailand, 5 November 2003)

Dozens of major and minor retailers in Bangkok were found selling counterfeit brand-name batteries in recent inquiries with police, according to Japan's Sanyo Electric. Sanyo said some 3,438 fake AA batteries were confiscated between July and October in joint operations with Economic Crime Division police. Some 75 major retailers and about 200 minor outlets were involved.

Sanyo set up an investigation team to crack down on pirated products in Thailand in July. Sanyo is concerned that the low-quality fakes will damage its brand image. Sanyo said the counterfeit products were on sale throughout Thailand, and are imported from China through Mae Sai and Chiang Rai in the North and Mukdahan in the Northeast.

4. CD mafia

(from Post Today Newspaper, Today's News Section, Page A3, Thailand, 6 November 2003

Krung Thep Thurakit Newspaper, Politic News Section, Page 12&18, Thailand, 6 November 2003

Krung Thep Thurakit Newspaper, Politic News Section, Page 17&20, Thailand, 7 November 2003)

DIP officials and music company representatives were attacked by the gang of Pantip Plaza CD's traders. Mr. Watana Muangsook said that the police had to response with this matter. And he said about the discussion with BSA that they would like Commerce Ministry to reconsider about Copyright Act about making a settlement in case. So he asked DIP to discuss with the private sectors again and make the conclusion to submit again.

5. Thailand-Vietnam MoU

(from Naew Na Newspaper, Thailand, 13 November 2003)

Thailand and Vietnam will sign Memorandum of Understanding to solve copyright piracy in early December. Moreover, there will be exchange the data for IP registration. At the present, there are many CD manufacturers in Vietnam, produce pirated CDs and sent to Thailand and also some countries.

6. Thailand a leader in fake goods

(from Business and Finance Daily News Service, 18 November 2003

Dow Jones International News, 20 November 2003

Associated Press Newswires, 20 November 2003

The Nation Newspaper, Business Section, Page 4B, Thailand, 20 November 2003

Bangkok Post Newspaper, Home News Section, Page 4, Thailand, 21 November 2003

Krung Thep Thurakit Newspaper, Economic Section, Page 9, Thailand, 21 November 2003)

Thailand is emerging as a top point for shipping pirated goods, European Union officials said, while warning that terrorist and criminal syndicates are profiting from counterfeiting. The Organization for Economic Cooperation and Development estimates pirated goods lopped off an estimated 460 billion euros (about 22,080 billion bath) per year – 5% to 7% - of global trade volume since 1998.

Rainer Osterwalder, a European Patent Office spokesman, said counterfeit goods are not necessarily produced in the country from where they were shipped, because counterfeiters often use circuitous routes to elude authorities.

Yanyong Phuangrach, director-general of the Intellectual Property Department, said he had not yet seen the EU report. But he questioned the link between pirated goods in Thailand and international terrorist groups and expressed scepticism about the accuracy of the EU information.

7. Counterfeit cigarettes

*(from Bangkok Post Newspaper, Home News Section, Page 5, Thailand, 28 November 2003
Post Today Newspaper, Prime News Section, Page A1, Thailand, 28 November 2003)*

Contraband and counterfeit cigarettes are costing the country billions of bath in revenue each year, a research paper has revealed. Conducted by Sangsit Piriyaarsan of Chulalongkorn University, the study estimated annual sales of fake Krong Thip 90 cigarettes alone accounted for 3-4 billion baht per year.

Contraband cigarettes were reportedly smuggled from various countries via Cambodia, Laos and Malaysia, and distributed to some 510,000 retailers nationwide. The world's largest producers of fake cigarettes were named as China, Indonesia, the Philippines and Cambodia.

Mr Sangsit suggested methods to combat the smuggling of counterfeit cigarettes be raised for discussion at an international forums. He also called for harsher penalties against smugglers and the launching of a campaign to raise awareness among consumers.

8. Unfashionably fake

(from Bangkok Post Newspaper, Business Section, Page 8, Thailand, 29 November 2003)

Manas Khampakdi, deputy director-general of the Customs Department, presented fake products from China as part of a seizure for intellectual property rights violations. The department seized 15,000 articles worth four million baht total, including pirated copies of leading brands Gucci, Fendi, Versace, Calvin Klein and Polo Ralph Lauren.

9. Pirated CDs stores

(from Post Today Newspaper, Today's News Section, Page A3, Thailand, 29 November 2003)

Police and DIP officials seized the pirated CDs, VCDs and DVDs from big store and shops in Sa Pan Lek market. All products are worth 70 million baht.

PEOPLE'S REPUBLIC OF CHINA

News in November 2003

1. Student's patents awarded
2. Official urges intellectual property protection in R&D
3. MOC and EU signed agreement on intellectual property
4. New national plan gives priority of patent protection
5. Pirated brands targeted
6. Rules tougher on copyright
7. Silicon IPR market founded in Shanghai
8. Japan, China and S Korea agree to cooperate on patent info.
9. Honda sues Chinese motorcycle companies over trademark infringement
10. China targets intellectual property violations

11. Intellectual property rights protection coalition set up in E. China
12. Suzuki motor sues China firms for trademark violations
13. Court rejects Toyota's accusing Geely of logo infringement

14. China scholar suggests creating anti-piracy ministry
15. Nissan may sue Chinese maker over car design

1. Student's patents awarded

(from Shanghai Daily, 3 November 2003)

Sixty-eight local university students were honoured over the weekend for receiving patents on their work, as the city pushes to educate graduate students about the importance of intellectual property rights. The main purpose is to raise university students' awareness of the need to protect the intellectual property of their academic achievements. An increasing number of students around China have seen their research stolen in recent years by companies or their professors.

To combat the problems, the bureau, along with the Shanghai Education Commission, issued a regulation in September calling for cash rewards to be paid to students who have their work patented. The two organizations will award 3,000 yuan for each patent, with 60 per cent of the money going to the student and the rest going to their school.

Currently, universities hold the right to any research or invention created by students using school funds or equipment. But that will soon change. The regulation also calls on schools to add courses on intellectual property rights every semester.

2. Official urges intellectual property protection in R&D

(from Xinhua News Agency, 3 November 2003

BBC monitoring Asia Pacific, 3 November 2003

China Daily, 4 November 2003)

A senior official called on Chinese scientists to pay more attention to intellectual property rights while conducting scientific research and technological development. Chinese researchers traditionally ignored patent applications in research and development because technological development in the past decades was mainly in accordance with national plans rather than for economic returns.

The government has issued laws and regulations to promote scientific and technological innovation, and the ministry has decided that obtaining patents should be one priority for key national research projects.

3. MoC and EU signed agreement on intellectual property

(from SinoCast China Business Daily News, 3 November 2003

Xinhua Financial Network News, 4 November 2003)

Ministry of Commerce signed an agreement on Intellectual Property Conversation Mechanism with European Union in Beijing. This is the first China-EU Economic and Trade Conference since the establishment of Ministry of Commerce. The two sides discussed the questions concerning multilateral trade, established China-EU conversation mechanism on the trade policies and signed an agreement.

4. New national plan gives priority of patent protection

(from China Daily, 11 November 2003

Dow Jones International News, 11 November 2003

Business Daily, 11 November 2003)

The central government is drafting a national strategy on intellectual property rights to increase the number of patents in China, to match other major global economies. Wang Jingchuan, commissioner of the State Intellectual Property Office, said the strategy promises to complete IPR legislation in China in the next five to 10 years while strengthening the enforcement of copyright laws.

The strategy also aims to support the Agreement on TRIPs, signed by China after it joined the WTO and to enhance the competitiveness of Chinese businesses.

5. Pirated brands targeted

(from China Daily, 12 November 2003)

Authorities will intensify their crackdown on trademark violations to sustain a healthy market and economic order, the State Administration for Industry and Commerce said. To avoid copyright infringements, inspectors will also be sent to commodity fairs, exhibitions, trade markets, top-end hotel shops, and shops selling famous brands.

To enhance the awareness of the Trademark Law among business people, regional trademark management authorities will periodically publicize companies with good records in trademark protection as well as those that violate trademarks.

6. Rules tougher on copyright

(from China Daily, 13 November 2003

Associated Press Newswires, 13 November 2003

Dow Jones International News, 13 November 2003

Asia Pulse, 13 November 2003

Business Daily, 13 November 2003)

The National Copyright Administration is improving the nation's copyright laws by instituting four new regulations, including ones to protect folk literature and the rights of network information distribution. The administration will also intensify copyright legal enforcement by having regional intellectual property management departments join forces with local public security offices, industry and commerce officials, and customs and culture sectors in an effort to slash pirating activities.

7. Silicon IPR market founded in Shanghai

(from Xinhua's China Economic Information Service, 13 November 2003)

China's first trade center of the intellectual property rights of silicon technology was recently founded in the East China municipality. The trade center, with 30 million yuan investment so far, will provide a platform for the development, protection, authorization, exchange, application and verification of silicon IPR on a nationwide scale.

Silicon IPR is defined as all intellectual property rights involved in the design of integrated circuits, which are also referred to as chip core or virtual elements.

8. Japan, China and S Korea agree to cooperate on patent info.

(from JIJI Press English News Service, 14 November 2003

Xinhua News Agency, 14 November 2003

China Daily, 15 November 2003)

Japan, China and South Korea agreed to jointly study a system for sharing information on patent applications in the three countries. They also agreed to exchange patent documents electronically among the nations and jointly develop Japanese, Chinese and Korean technical dictionaries for patents. They reached the agreements at a meeting of the countries' patent office chiefs.

9. Honda sues Chinese motorcycle companies over trademark infringement

(from China Daily, 18 November 2003

Channel News Asia, 19 November 2003

Asiainfo Daily China News, 19 November 2003)

Japan's Honda Motor Co has launched legal action against two Chinese motorcycle manufacturers alleging trademark infringement. Honda is seeking 25 million yuan (US\$3 million) in compensation from the Chongqing Lifan Motor Factory and the Chongqing Lifan Industrial Group for alleged economic losses caused by trademark violations.

Honda claims that vehicles produced by the two companies carry the trademark "Hongda" which could easily be mistaken for the more famous brand.

10. China targets intellectual property violations

(from Associated Press Newswires, 18 November 2003

Xinhua News Agency, 18 November 2003

Xinhua's China Economic Information Service, 19 November 2003

Business Daily, 19 November 2003

Financial Express, 23 November 2003)

China is doing more to crack down on violations in order to make itself more business-friendly. It is not only for the implementation of China's pledges when joining the WTO, but more importantly, for attracting more overseas investments and advanced technology in the process of opening up, and for accelerating the economic and social progress of China, said Vice Premier Wu Yi.

U.S. businesses have complained that China is rife with fake products – everything from patent-breaking pharmaceuticals to pirated DVDs of the latest Hollywood blockbusters.

11. Intellectual property rights protection coalition set up in E. China

(from Xinhua News Agency, 21 November 2003

BBC Monitoring Asia Pacific, 21 November 2003)

A group of 16 cities situated in east China's Yangtze river delta areas announced the establishment of a coalition on intellectual property rights protection. Senior IPR officials from the 16 cities also issued a declaration pledging increased cooperation in IPR protection and the fight against counterfeiting.

The coalition will establish a data base collecting information from regional IPR experts, plan systems for the establishment of IPR service organizations, and set up joint IPR conference among the cities.

IPR protection improvement is of great significance for the speedy economic growth in the Yangtze River delta areas, against the backdrop of the advancement of globalization.

12. Suzuki motor sues China firms for trademark violations

(from JIJI Press English News Service, 21 November 2003)

Suzuki Motor Corp. of Japan has lodged lawsuits against Chinese motorcycle makers, claiming that their products infringe on Suzuki's trademarks or design copyrights. This is the first time that Suzuki has taken legal action over intellectual property rights violations in China. Suzuki is seeking suspension of production and sales of the motorcycles, and a public apology by the local company.

13. Court rejects Toyota's accusing Geely of logo infringement

(from Kyodo News International, 24 November 2003

Krung Thep Thurakit Newspaper, World Business Section, Page 36, Thailand, 25 November 2003

Channel News Asia, 25 November 2003

Xinhua's China Economic Information Service, 25 November 2003

SinoCast China Business Daily News, 26 November 2003

Asiainfo Daily China News, 26 November 2003)

Beijing Municipal No. 2 Intermediate People's Court rejected a case that Japan-based Toyota Motor Corporation accused Zhejiang Geely Automobile Co.,Ltd. Of automotive logo infringement, including a compensation of CNY 14 million. The court judged that the Meiri logo of Geely was not similar to the logo of Toyota. At the same time, it still overruled that the trademark of Toyota was a well-known trademark in China.

14. China scholar suggests creating anti-piracy ministry

(from Xinhua News Agency, 26 November 2003

Dow Jones International News, 26 November 2003)

A Chinese scholar has called for the National Intellectual Property Office to be upgraded to a ministry-level organization to intensify the protection of intellectual property rights against counterfeiters. Since joining the WTO, China has come under increasing criticism that it has failed to honour commitments to enforce international standards of copyright, trademark and patent protection against rampant piracy and counterfeiting.

Zhang Hanlin, a professor at Shanghai's University of International Business and Economics, said China is not short of officials working to enforce intellectual property rights but they still require further training to perform their duty. Moreover, China should also pay more attention to promoting public awareness of intellectual property rights protection.

15. Nissan may sue Chinese maker over car design

(from JIJI Press English News Service, 28 November 2003

Financial Times, 28 November 2003

Dow Jones International News, 28 November 2003)

Japan's Nissan Motor Co. is considering legal action against a Chinese automaker, Great Wall Automobile, for intellectual property theft. Nissan accuses Great Wall of copying a design for the front face of its Paladin sport-utility vehicle.

Nissan's dismay at Great Wall comes in the same week that a Beijing court rejected a damages suit by Toyota Motor Corp. that claimed an infringement of its logo by another Chinese automaker Geely.

HONG KONG

News in November 2003

1. Rewards offer to fuel fake drug fight
2. HK to strengthen anti-piracy work
3. Educating to counteract software piracy

1. Rewards offer to fuel fake drug fight
(from *The Standard*, 5 November 2003)

The Customs and Excise Department and the Hong Kong Association of the Pharmaceutical Industry joined forces to launch a reward aimed at combating counterfeit pharmaceutical products. The scheme aims to enhance public awareness of counterfeit and trademark infringing pharmaceutical products, and encourage the public to provide information on activities involving counterfeit pharmaceutical products.

The signing of the agreement signified a joint effort by customs and the pharmaceutical industry to deter counterfeit activities. The scheme will be financed by the association and administered by the Custom and Excise Department.

2. HK to strengthen anti-piracy work
(from *Xinhua News Agency*, 14 November 2003
South China Morning Post, 15 November 2003)

Timothy Tong, Commissioner of Customs and Excise of Hong Kong said that vigorous anti-piracy enforcement efforts must continue, or Hong Kong's streets could be flooded with counterfeit goods in no time.

Tong made the remarks while accompanying Executive Council Member Andrew Liao Cheung-sing to visit the Customs and Excise Department and meet with Head of Intellectual Property Investigation (Operations) Group Liu Cheung-shing for a better understanding of the Customs enforcement actions against piracy and counterfeiting activities.

Liu said his department will also step up enforcement action against counterfeiting activities through enhanced intelligence and various incentive schemes. Liu said his department will also organize seminars and roadshows to promote awareness and respect for intellectual property rights.

3. Educating to counteract software piracy
(from *South China Morning Post*, 18 November 2003)

The Intellectual Property Department, the Customs and Excise Department and the Business Software Alliance (BSA) plan to mount a new series of education campaigns to stamp out the use of pirated software by firms in Hong Kong.

This was the message from government officials at the relaunch of the Software Asset Management (SAM) seminars, a BSA-led initiative which teaches businesses how to gain the full value of their software and reduce the risk of using unlicensed software.

BSA representative Tony Chow, who is Greater China legal counsel for software firm Autodesk, said the upcoming SAM seminars (which will be held on December 3) were aimed at helping organizations “achieve the productivity and peace of mind that comes with using only genuine, fully licensed software”.

SINGAPORE

News in November 2003

Singapore, Europe sign intellectual property cooperation
(from AFX UK Focus, 20 November 2003)

Singapore and the European Patent Office agreed to increase cooperation on the protection of intellectual property. In a statement, the Intellectual Property Office of Singapore said it signed a Memorandum of Understanding with the European agency aimed at further strengthening existing agreements through a series of activities between 2004 and 2006.

The activities will include improving expertise through training and increasing awareness of the need to safeguard intellectual property.

VIETNAM

News in November 2003

1. Patent official says firms yet to tap WIPO data
2. Fake goods endanger Vietnam
3. Vietnam to issue trademarks in 9 months

1. Patent official says firms yet to tap WIPO data
(from The Saigon Times Daily, 5 November 2003)

Truong Thuy Trang, head of the industrial property department of the HCMC Service of Science and Technology, said about 57% of the CityAes enterprises were interested in building trademarks, considering trademarks as their symbol and prestige. Most of the enterprises have their trademarks registered, but just a few had plans to use trademarks as a competition tool.

She added many companies welcomed the CityAes intellectual property assistance programs. The 1,000 trademarks protection program launched in June has completed registration for more than

1,000 enterprises, while the broad-based program on fighting copycat products has found out more than 100 brand name infringements.

2. Fake goods endanger Vietnam

(from The Saigon Times Daily, 5 November 2003

Xinhua News Agency, 12 November 2003)

Fake goods available in Vietnam do harm to both its local consumers and economy. The cosmetic industry alone lost some 22 million US dollars in value added tax and import tariffs last year as a result of counterfeit goods. Many consumers reportedly suffered from allergy and many skin diseases due to usage of fake products.

In recent years, the country has reported an increasing number of violations of industrial property rights relating to styles, brands and patents. It reported 151 cases of violations in 1999, 293 in 2001 and 399 in 2002.

Many businessmen and officials of NOIP have proposed the government to establish an anti-fake good fund and impose heavier punishments on offenders. Current fines of 10-20 million Vietnamese dong (US\$640-1,280) imposed on violators are too light, they argued.

3. Vietnam to issue trademarks in 9 months

(from Asia Pulse, 26 November 2003)

Vietnam's intellectual property authority has promised to reduce the time taken to register a trademark in the country. Senior executive at the NOIP, Vu Khac Trai, said while it now took companies nearly a year to register a trademark, his office would try shorten the period to nine months.

He said however the delay was caused by the need to verify that a trademark submitted for registration was not registered elsewhere in the world by others.
