

Monthly Report of November 2005

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THAILAND

News in November 2005

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1. Crackdown on illegal software

*(from The Nation Newspaper, Business Section, Page 4B, Thailand, 3 November 2005
Bangkok Post Newspaper, Database Section, Page D3, Thailand, 9 November 2005)*

The Business Software Alliance (BSA) has announced a campaign to encourage full payment for copyrighted software and initiated legal action against seven companies while investigating 40 others it claims are using unlicensed software in Thailand.

Tarun Sawney, BSA director for anti-piracy in Asia, said the campaign included enforcement activity to create awareness among companies that use unlicensed software. He added that the BSA is also investigating Internet shops, manufacturers and telecom, hospitality and advertising companies who have not paid for software licenses.

2. Trade talk with Italy

(from Thai News Service, 4 November 2005)

The Italian Vice Minister for Productive Activities, Adolfo Urso, had lead the biggest delegation of Italian companies to Thailand since the 1997 economic crisis, to explore investment opportunities in Thailand. Forty-one SME companies from various sectors including mechanical, textiles, environmental, energy saving and furniture, will meet potential Thai partners.

Apart from the private-sector meeting, the Italian minister, whose position is equivalent to foreign trade minister, will also meet Industry Ministry Suriya Jungrunreangkit. They are expected to discuss political and economic issues such as business difficulties, intellectual property rights violations and Thailand's investment regulations, which are seen as complicated.

3. Thailand should introduce seed protection law

(from Thai News Service, 16 November 2005)

The Thai government should expedite passage of a law to protect seed, to both prevent theft while encourage more foreign investment in the promising seed development field, according to a report published by KASIKORN Research Centre (KRC).

As foreign seed makers are moving manufacturing bases to developing countries, Thailand would be a strong candidate to attract such investment had it not been for the rampant theft of seed varieties, the report notes, citing the weakness of intellectual property protection here.

This has made multinationals decide to invest in other countries including India, Indonesia, Vietnam and Myanmar. The Thai government should therefore speed up legislation for seed industry protection to attract foreign investment in this sector into Thailand.

There are currently 200 companies registered in the seed trading business in Thailand, which includes about 60 exporters, 70 importers and a score of companies in seed variety research and development.

4. DIP urges entrepreneurs to register
(from *Thai News Service*, 18 November 2005)

Intellectual Property Department has recently organized an event entitled “Intermediate Intellectual Property Market” as to encourage entrepreneurs to register for commercial license.

Deputy Minister of Commerce Ministry, Preecha Laohapongchana, said that the entrepreneurs would be protected in the copyright in their commercial values. Entrepreneurs who have registered will be protected under the “infringements of intellectual property rights” law.

The event also provides instructions and information on trade registration for entrepreneurs.

5. Patents rested with Cornell ‘from outset’
(from *Bangkok Post Newspaper, Home News Section, Page 3, Thailand, 21 November 2005*)

A US researcher who directed a genetically modified papaya research project insists agriculture officials knew from the outset that any benefits from the programme between Cornell University and Thai researchers would belong to the university.

The issue of intellectual property rights (IPRs) on GM papaya emerged following the disclosure of illegal GM papaya growing in the country, which was prohibited under a government ban, by environmental activists last year.

The papaya was developed by the university and Agriculture and Cooperatives Ministry researchers to combat the ringspot virus, which devastated papaya plantations in the country more than 10 years ago.

The ministry is drawing up a memorandum of understanding on benefit sharing on the papaya with the university, but has not disclosed whether it has any rights on it. Some intellectual property right experts said the original material including the virus strains used in the research were also brought from Thailand, so it should be eligible to the intellectual property rights.

They have called on the ministry to clarify the matter before pursuing benefit sharing, saying any decisions on the matter would set a benchmark for future exploitation of the country's natural resources.

Dennis Gonsalves, a former researcher of Cornell's New York State Agricultural Experiment Station who supervised the project, said Thai officials were told of the university's plan to patent any discoveries. To enable Thai farmers to use the papaya without violating the university's IPRs, they agreed to work out on a MoU together, he said.

6. EU happy

(from The Nation Newspaper, Business Section, Page 4B, Thailand, 22 November 2005)

According to a seminar on piracy in Bangkok, EU representatives said that they were pleased with the clampdown on fake goods. EU ambassador to Thailand Freddric Hambuaggur said that Thailand's anti-piracy measures have come to be considered outstanding during the past several years.

He suggests that the Thai authorities might now focus on bogus goods in food and drugs categories. The EU has offered to transfer technology to Customs Department personnel to better combat the piracy of intellectual property, he said.

Last year, more than 103 million fake items were confiscated by EU states, a 12 per cent rise over the previous year.

7. Customs to step fight against new range of fake goods

(from Organisation of Asia-Pacific News Agencies, 23 November 2005)

Thai customs officers were increasingly on the look out for fake drugs and car parts as counterfeiters diversified production away from traditional areas such as luxury goods, Customs Department director-general Sathit Limpongpan said here.

The director-general said Customs was working with all relevant parties within Thailand and beyond to suppress the production and trade of fake goods. Recent global trends showed that counterfeiters were expanding their range of products to include goods that posed a potential danger to consumers, including medicine, food, cosmetics and electronics.

Working with officials from the European Directorate for Taxation and Customs during the training, he said Thai customs officials would now be able to apply the technique of targeted risk management to intercepting shipments of counterfeit goods.

8. Science Technology and Environment Minister to increase number of intellectual property

(from Thai News Service, 28 November 2005)

Science and Technology Minister Pravich Rattanapien is planning to develop the intellectual properties in Thailand, in order to increase the value of Thai economy.

Mr. Pravich presided over the opening ceremony of a seminar on the new strategies and innovations to add values to Thai businesses. At the seminar, he revealed that the net import value of intellectual properties such as technology, innovation, and brand name is worth 100 billion baht. Most of the products were directly delivered to consumers, and they were not imported in order to increase their production values. Meanwhile, Thai scientists have been urged to develop Thai products as intellectual properties.

Many people concern that if Thai launches Free Trade Agreement (FTA) with the United States, Thai people cannot register patents of Thai herb products. The Science Technology and Environment Minister affirmed that he will closely take care of the matter, to prevent other countries to take advantage from Thai products by using the gap of the law.

9. Japan returning to invest in Thailand, ASEAN

(from fnWeb Daily News, 28 November 2005)

Japan is returning to invest in Thailand and the Association of Southeast Asian Nations (ASEAN), especially in the automobile and auto parts industries, as well as on both the financial and capital markets, after the Asian economic superpower has slowed down its investment in China.

Staporn Kavitanon, the chair of the 31st ASEAN-Japan Business Council Meeting, told journalists here on Friday after the two-day forum that Japan would invest more in Thailand, which is regarded as the most attractive among the ASEAN community.

Mr. Staporn, long-time head of the Board of Investment of Thailand (BOI), said that Thailand is again attractive to foreign investors because it is a country where principles of good governance, protection of intellectual property and disclosures of business information are readily available.

The former BOI head said that Thailand, which ranks third in terms of its good investment climate in Asia after China and India, would provide promotional privileges and tax incentives, as well as improve business management and labour skills to streamline a new era of Japanese investment.

The Japanese President of the Manila-based Asian Development Bank (ADB), Haruhiko Kuroda, said his country would expand trade and investment under free trade area (FTA) agreements with the ASEAN states and East Asian nations, now that Japan's economic recessions have remarkably improved.

PEOPLE'S REPUBLIC OF CHINA

News in November 2005

1. Five brandnames sued Chinese store
2. US confident China will co-operate in IPR row
3. Hong Kong man jailed three months in landmark Web piracy case
4. FBI helping Chinese police on pirated goods
5. 485 tonnes of counterfeit goods seized in joint bust
6. Chinese vice premier pledges IPR cooperation with EU
7. First trademark fair will be held in Shenzhen
8. Japan calls on Hong Kong to enhance protection of IPR
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11. China, US pledge to work together to balance trade, fight piracy
12. Chinese courts accept 11,390 civil IPR violation cases during January-October period
13. China to launch IPR education among children
14. Tramford International Announces Bamboo Flavone for prostate patent approved
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16. Music company files 50 piracy lawsuits
17. France's Hennessy cognac wins trademark lawsuit in China

1. Five brandnames sued Chinese store

(from China Daily, 3 November 2005

Krung Thep Thurakit Newspaper, World Business Section, Page 33, Thailand, 4 November 2005)

Chanel and four other international luxury brands have sued the manager of Beijing's Silk Alley, visited by masses of tourists everyday, for allegedly selling pirated copies of their products. The five companies are claiming 2.5 million yuan (\$520,000) in a suit filed in a Beijing court against Xiushui Haosen Clothing Market Co, Silk Alley's manager.

The suit was filed by lawyers representing Chanel, Prada, Burberry, Louis Vuitton and Gucci. The lawyers brought several boxes of brand-name bags and purses that they said were pirated copies of the five companies' products and had been purchased at the Silk Alley.

Since it began as an open-air market in 1985, Silk Alley has been popular with overseas tourists who flocked to its stalls to buy counterfeit and knock-off luxury clothes and accessories. Xiushui Haosen tore down the old but highly profitable market in January, moving the stalls to a new building.

2. US confident China will co-operate in IPR row
(from *Xinhua Financial Network News*, 4 November 2005)

The US believes that China will respond to Washington's request for more information on the mainland's intellectual property rights enforcement thus avoiding making a row over pirated goods worse, said Jon Dudas, US Undersecretary of Commerce for Intellectual Property.

Last month, the US, Japan and Switzerland joined forces to push China to provide more information on its IPR efforts by invoking a special process of the WTO on trade related aspects of IPR, known as TRIPs. The three countries have asked Beijing to give more information on its judicial decisions and administrative procedures governing IPR.

The US wants to know more about where prosecutions have taken place, what kinds of referrals have been made and what types of penalties are in use, Dudas said. The US has requested a formal response by late January.

He said recent customs figures show that 67 pct of all counterfeit goods seized in the US come from China.

3. Hong Kong man jailed three months in landmark Web piracy case
(from *Agence France Presse*, 7 November 2005)

A Hong Kong court sentenced a man to three months in prison Monday in what is believed to be the first jailing for sharing movie files over the popular online Bit Torrent network. In sentencing, magistrate's court judge Colin Mackintosh served notice on online pirates the world over.

Although several online file sharers using services other than Bit Torrent have received jail sentences, most recently in Taiwan and the United States, all were either suspended or later converted to fines.

The Hong Kong customs and excise department has said Chan was the first person in the world to be charged with violating copyright laws through the use of BT technology.

BT is a programme that works by allowing downloads from multiple sources, each supplying a small part of the whole. The makers of music, movies and software say illegal sharing of copyrighted material is losing them billions of dollars each year.

4. FBI helping Chinese police on pirated goods
(from *Financial Times*, 9 November 2005)

Chinese police are receiving assistance from the Federal Bureau of Investigation to crack several large-scale counterfeit networks, many of which are shipping "huge quantities" of fake goods into the US, a senior FBI official said.

Louis Reigel, assistant director for the FBI's cyber division, said US agents were working closely with the ministry of public security to dismantle highly sophisticated Chinese pirate enterprises that manufactured products such as DVDs and software.

The unprecedented co-operation between the FBI and China's police ministry on counterfeiting is evidence of the increasing sophistication of the pirates and their global reach.

The FBI typically only gets involved in probing international counterfeit rings that are of significant size. The bureau, which does not have the authority to conduct on-the-ground investigations in China, has also tried to broaden the exchange of information and resources with local police on issues other than piracy.

5. 485 tonnes of counterfeit goods seized in joint bust
(from *Europe Information*, 9 November 2005)

A joint customs operation carried out from May 17 to 27 resulted in EU customs officials seizing almost 500,000 kg of counterfeit goods from China, the European Commission announced on November 8. EU Taxation and Customs Commissioner Laszlo Kovacs plans to raise the issue when he visits China next week to attend the first ever meeting of the EU-China Customs Cooperation Committee.

The 'FAKE' operation, which involved the Commission, EU Anti-Fraud Office OLAF and 250 customs officers from the 25 EU member states, led to 140 air consignments and 60 deep-sea containers being seized. Items retained included clothing, footwear, cigarettes, batteries, light bulbs and bodybuilding steroids. Presenting the results in Brussels, Commissioner Kovacs said the operation was preceded by a comprehensive risk analysis so that only suspect consignments were intercepted. For example, of the 362 containers pre-selected for surveillance, almost one in four actually contained counterfeit goods. This contrasts with a detection rate of just 1-4% in routine customs checks.

6. Chinese vice premier pledges IPR cooperation with EU
(from *Xinhua News Agency*, 14 November 2005)

Chinese Vice Premier Wu Yi said that China would enhance cooperation with the European Union (EU) in protecting intellectual property rights (IPR).

China is always resolved to safeguard the legitimate rights and interests of intellectual property holders from all over the world, Wu made the remarks while meeting with Laszlo Kovacs, EU Taxation and Customs Commissioner.

Wu said the China-EU relations has achieved remarkable progress since the two sides established diplomatic ties 30 years ago. EU has by now turned out to be the largest trade partner of China, which is the second largest to the EU.

Wu said that China and the EU have carried out fruitful exchanges and cooperation in the aspects of the IPR protection, anti-commercial fraud and customs evaluation.

The IPR protection is motivated by China's internal need to accelerate its economic and social development, Wu said, adding that China has dedicated much efforts to legislation and law enforcement in IPR protection.

China has all along kept its commitments in safeguarding IPR and protecting the legitimate rights and interests of the IPR holders, Wu said, stressing that those who engage in infringement and counterfeiting of IPR will be severely penalized according to law.

7. First trademark fair will be held in Shenzhen
(from *NewsTrak Daily*, 16 November 2005)

The First China Trademark Fair will be held in Shenzhen from 9 to 11 December 2005. The fair is jointly organized by the Chinese Trademark Association and Shenzhen Trademark Association. The meeting aims to enhance information exchange, protect and encourages the establishment of more local trademarks in China.

Hot topics such as different trademark protection laws and practices, trademark exclusive usage rights, protection and cooperation, famous Chinese trademark protection and certification, and forming a level playing field and fair competition will be discussed in the meeting.

According to the State Administration of Industry and Commerce (SAIC), there were 9,648 trademark violation cases in China in 2004. About 1,657 trademark violation cases were related to foreign parties. Trademark infringement cases reached 30,119 cases while 3,729 cases were related to foreign parties.

8. Japan calls on Hong Kong to enhance protection of IPR
(from *Kyodo News*, 18 November 2005)

Japanese government officials called on Hong Kong authorities for the Chinese territory to enhance protection of intellectual property rights, the officials said.

The Japanese government believes Hong Kong needs to undertake more relief measures for companies suffering from unauthorized use and registration of corporate or brand names, after it investigated the IPR protection system there based on a request from an association of Japanese electronics manufacturers.

Hong Kong officials promised Tokyo during their meeting in the Chinese territory that they will study possible measures to protect intellectual property rights and agreed to continue the dialogue, the Japanese officials who attended the meeting said.

9. \$22,000 worth of counterfeit drugs seized
(from *IPR Strategic Information Database*, 20 November 2005)

In a crackdown on the sale of counterfeit drugs to treat impotence, Hong Kong Customs and Department of Health officers arrested nine people and seized 300 suspected counterfeit tablets worth about \$22,000. With the help of a trademark owner, Customs officers raided eight drug stores.

Separately, seven drug stores were found in breach of the Pharmacy & Poisons Ordinance by selling controlled medicine to customers without a doctor's prescription. The counterfeit drugs to treat impotence seized in the operation will be sent to Government Laboratory for analysis. While awaiting the test results, the trademark owner's laboratory test showed there was no harmful substance in the counterfeit impotence drugs samples obtained during its market survey.

10. IPR disputes between automaker GM, Chery solved amicably
(from *Xinhua's China Economic Information Service*, 21 November 2005)

Three-year intellectual property rights (IPR) disputes between US auto giant General Motors (GM) and Chinese car-maker Chery have been solved finally and amicably, with relevant parties agreeing to withdraw all lawsuits.

According to a statement jointly issued by the two sides, the GM Daewoo auto technology company, GM and Chery have reached conciliatory agreement to end all the disputes between them, and all the relevant lawsuits have been or will be withdrawn.

The relevant parties, extending appreciation to the all-out effort made by the Chinese government in this regard, will put focus on their own businesses, according to the statement. Chery rejected the allegation of IPR infringement and said the car models were developed by its own technologies.

The disputes were intensified when Chery introduced a well-received compact model QQ more than two year ago and triggered an intellectual property fight with GM over its Spark model.

11. China, US pledge to work together to balance trade, fight piracy
(from *Xinhua Financial Network News*, 21 November 2005)

China and the US have pledged to work together to resolve growing trade frictions arising from a ballooning US trade deficit and rampant copyright violations by Beijing.

Speaking following a meeting with Chinese President Hu Jintao, US President George W Bush said the US and China were "important trading partners" and stressed both gained from a system of free and fair trade.

"The two sides also expressed their willingness to join hands together to gradually achieve balanced trade between China and the US in the process of further expanding trade between the two countries," Hu said.

12. Chinese courts accept 11,390 civil IPR violation cases during January-October period
(from Xinhua News Agency, 21 November 2005)

Chinese courts accepted and heard 11,390 first-instance civil intellectual property rights (IPR) violation cases from January to October, up 27.98 percent from the same period last year. Chinese courts also accepted 506 first-instance administrative cases on IPR violation during the first ten months of the year, up 10.48 percent from the same period last year.

Cao Jianming, vice president of the Supreme People's Court, said at the forum that since Chinese courts launched a national crackdown on IPR violations, the number of IPR violation cases accepted by courts has risen constantly and the quality of PR violation trials has improved.

In order to solve the problems emerging in law applications when trying the IPR violation cases, the Supreme People's Court was drafting five judicial interpretations concerning different aspects of IPR violations, such as unfair competition, IPR infringement on music TV and infringement upon new plant varieties, Cao said.

13. China to launch IPR education among children
(from Xinhua News Agency, 22 November 2005)

China is making plans to introduce Intellectual Property Rights (IPR) education at primary schools across the country, China Daily reported on Tuesday, citing an IPR official.

"Teaching children about IPR is an effective way of spreading knowledge about the issue and preparing the population for developments in the years ahead," said Li Yuguang, deputy director of the State Intellectual Property Office, at an IPR seminar in Foshan, south China's Guangdong Province.

"China has only 20 years' experience of IPR issues and many Chinese people know little about the situation," said Li. Education of the young was given the thumbs up by director of the Worldwide Academy of the World International Property Organization (WIPO), said Mpazi Sinjela, who was attending the seminar, jointly organized by the WIPO and the State Intellectual Property Office.

"IPR education is very important. Teaching primary pupils about IPR protection can help stop them (from) breaking the law and encourage them to become inventors and scientists when they grow up," he said.

Liang Shaotang, mayor of Foshan, said children could influence their whole family and help protect IPR. Li said the city's example would be followed across the country. The province's prestigious universities of Zhongshan and Jinan have set up special IPR colleges to help train special talent in this field. Li also said China is seeking to expand cooperation with the WIPO and other foreign countries to increase awareness of IPR protection.

He went on to express the hope that IPR officials and experts from the WIPO and from other countries and regions could share their experience of IPR protection with their Chinese counterparts.

14. Tramford International Announces Bamboo Flavone for prostate patent approved
(from PR Newswire, 23 November 2005)

Tramford International Limited ("Tramford" or the "Company") announced that the patent of "bamboo flavone application in anti-prostate disease drug" developed by Future Solutions Development Inc. ("FSD"), the newly acquired subsidiary of the Company, was approved by China's State Intellectual Property Bureau in November, 2005.

Along with this approval, the same patent also received approval from Patent Cooperation Treaty (PCT), the international patent registration and administration organization. The Treaty makes it possible to seek patent protection for an invention simultaneously in each of a large number of countries by filing an "international" patent application. FSD filed this patent under PCT for China, U.S. and Japan. The approval is the first step for FSD to enter into the markets in U.S. and Japan.

The scientists at FSD discovered that bamboo flavone is effective in relief symptoms of inflammation due to prostatitis, prostatic hyperplasia and prostate cancer.

About 50% of male in the world is affected by prostate illnesses (including prostatitis, prostatic hyperplasia and prostate cancer) in their lifetime. Many patients develop chronic symptoms. The bamboo flavone, as a natural extract ingredient, poses no long-term side effects to human body. It is a viable option in fighting the illness.

15. China to revise Patent Law

(from Associated Press Newswire, 24 November 2005)

China plans to adjust its patent law to better meet its WTO obligations, boost innovation and safeguard economic security, state media reported.

Research on an amendment to the Patent Law began earlier this year, with proposed changes to be disclosed by the national legislature next year, the state-run newspaper China Daily quoted Tian Lipu, commissioner of the State Intellectual Property Office, as saying.

China joined the trade rules-making World Trade Organization in 2001 with pledges to open its own markets and fight commercial piracy that costs Western companies an estimated \$16 billion in lost sales each year.

While experts say China's laws are generally up to international standards, enforcement of those laws is extremely lax. Foreign businesses also complain of long delays in obtaining Chinese patents due to a huge backlog of applications.

Poor protection of intellectual property also harms innovation, a problem the legal changes hope to address by making it easier for Chinese citizens to obtain patents, Tian said. "We have to find urgent solutions to these problems," he said.

Revisions will likely include a simplification of patent application and examination procedures, the report said. Lawmakers will also consider whether to adopt international standards in granting patents and ways to improve patent protection.

All aspects of intellectual property rights, including patents, trademarks and copyrights, will be considered, Tian said. Tian's office is also planning to propose setting up courts specializing in cases involving intellectual property rights.

The State Intellectual Property Office has proposed adding sections on protecting China's biological and genetic resources, perhaps requiring patent applicants to disclose the origin of the materials they use, the report said.

The amendments to the law are part of a new "national IPR strategy," the report said. That strategy calls for setting up strong laws and regulations, improving companies' ability to innovate, and training experts in intellectual property rights, it said.

16. Music company files 50 piracy lawsuits
(from *Shanghai Daily*, 29 November 2005)

A Guangdong-based music and video company has filed 50 lawsuits with the Shanghai No. 2 Intermediate People's Court against companies it claims are producing and selling pirated versions of its goods. The court accepted 23 of the lawsuits filed by Guangdong Meika Music and Video Co Ltd, and passed the others off to the Shanghai No. 1 Intermediate People's Court and Pudong New Area People's Court.

The company is demanding the defendants stop violating its intellectual property rights immediately and pay 8,000 yuan (US\$987) in compensation for each of the pirated products. It is also demanding a public apology from each of the 50 defendants.

The suits revolved around 10 CDs of songs by famous pop singers from Hong Kong and Taiwan. More than half of the defendants were also those in lawsuits previously filed by another audio and video company - Guangdong Freeland.

17. France's Hennessy cognac wins trademark lawsuit in China
(from *Agence France Presse*, 30 November 2005)

Two Chinese drink companies have been ordered to pay a 300,000-yuan (37,000-dollar) fine and apologise to French cognac maker Moet Hennessy for trademark violations, state press said. Distributor Zhuhai Xiangmutong Trading Co and bottler Xiamen Golden Huanya Food Co, infringed on the Hennessy trademark by selling their own version of cognac under the name "Hanlissy", the Shanghai No. 2 Intermediate People's Court said.

The court found the similarity of the Hanlissy name and the resemblance in labeling to the original Hennessy was meant to mislead consumers. Hennessy, which registered its international brand in China in 1990, found the counterfeit products at French retailer Carrefour in July last year and subsequently sued seeking 500,000 yuan in damages.

The court ordered the two Chinese groups to stop using the trademark, pay Hennessy 300,000 yuan and issue a public apology.

MALAYSIA

News in November 2005

1. Malaysia fights piracy of IP on multiple fronts
(from *Asia Pulse*, 15 November 2005)

Malaysia views piracy of intellectual property as a criminal activity which it is fighting on five interconnected fronts, said Domestic Trade and Consumer Affairs Minister Mohd Shafie Apdal. He said the government's approach involves the legislative framework, compliance measures, enforcement system, legal processes and education.

"In Malaysia, our legislation has sought to balance the need for intellectual property protection and the requirement of society to have legitimate access to the creator's knowledge," he said. "The government has decided to further reinforce the division the division with the addition of 745 new officers to be

appointed next year. Our aim is simple, we are determined to reduce counterfeiting and intellectual property piracy down to the lowest level possible," he added.

2. Malaysian Company Fined For Using Pirated Software
(from *Dow Jones International News*, 28 November 2005)

A Malaysian manufacturing firm charged with using pirated software has been fined MYR120,000 (\$31,750), marking the government's first successful prosecution of computer copyright violation, officials said. Iskandar Halim Sulaiman, head of the state-run Intellectual Property Protection Unit, said that Atom Industries, a roof company, was convicted of copyright infringement and fined by a court on Nov. 8 in the eastern state of Sarawak.

Atom was found guilty of possessing 15 copies of pirated Microsoft and Autodesk products. This was the first official announcement of the conviction three weeks ago. The government hopes the case will "deliver a chilling message" to corporate offenders in Malaysia, which has one of the highest rates of illegal software usage in the Asia-Pacific region, Iskandar said.

At least six other firms were fined in recent years after they pleaded guilty to copyright infringement, but Atom Industries was the first to be penalized after contesting the charge, Iskandar said. Another 36 companies are currently facing trial or under investigation.

Piracy in Malaysia caused estimated losses of MYR509 million to the software industry last year. Authorities have seized 41,000 suspected copies of bootlegged software so far in 2005, and are also trying to crack down on pirated movie and music discs.

Tarun Sawney, the software alliance's regional enforcement director, expressed hopes that company director's convicted in future copyright trials will receive prison sentences. "This is a criminal offense, so we would be in favor of a custodial sentence," Sawney said.

Malaysian laws provide for maximum prison sentences of five years and a MYR20,000 fine for each copy of pirated software owned. Atom Industries, which was raided by trade ministry authorities and charged in court in 2001, has appealed its case.

SINGAPORE

News in November 2005

1. Singapore companies ignore law on pirated software
2. ATMD win Singapore IP firm award
3. Singapore to host WIPO's diplomatic conference next year

1. Singapore companies ignore law on pirated software
(from *Technology Daily*, 4 November 2005
Bangkok Post Newspaper, Database Section, Page D1, Thailand, 16 November 2005)

Nearly a third of small firms say they are still not compliant with revisions to Singapore's Copyright Act, according to a new study by the research firm Intercedent Asia. News.com reports that the revisions make it a criminal offense to obtain a commercial advantage from unlicensed or pirated software. The group polled 100 small and mid-sized businesses in Singapore for the survey, which found that awareness of the law is high even though compliance is not.

"One reason provided by [survey] respondents for not being compliant is the relative high cost of software," said Liew Woon Yin, director general of the Intellectual Property Office of Singapore, which commissioned the survey.

2. ATMD win Singapore IP firm award
(from *Business Times, Singapore, 7 November 2005*)

Law firm Alban Tay Mahtani & de Silva was awarded the accolade of Singapore's Intellectual Property Firm of 2005 at Asialaw magazine's second annual Intellectual Property (IP) Awards ceremony held in Hong Kong last week.

Allen & Gledhill, Baker & McKenzie, Wong & Leow and Drew & Napier were also on the Singapore shortlist. Baker & McKenzie won the top award for Asia-Pacific IP Firm of 2005. The ceremony was organised by Asia Law & Practice, a specialist division of Euromoney Publications.

3. Singapore to host WIPO's diplomatic conference next year
(from *Xinhua News Agency, 30 November 2005*)

Singapore will host the Diplomatic Conference for the Adoption of a Revised Trademark Law Treaty in March next year, according to official sources. It will be the first time for an Asian country to host a World Intellectual Property Organization's (WIPO) diplomatic conference as most of such meetings were held in European cities and two in Washington DC and Nairobi in the past, said a statement by the Ministry of Law and the Intellectual Property Office of Singapore (IPOS).

"The aim of the conference is to update the existing 1994 Trademark Law Treaty to bring it in line with the technological advances of the past decade and to simplify legal requirements for trademark licensing," the statement said.

Some 650 intellectual property (IP) policy makers and experts from all member states of the WIPO are expected to attend the meeting.

The event will be a milestone in Singapore's efforts to become a center of excellence for IP development and business, according to Liew Woon Yin, Director-General of the IPOS. Singapore has upgraded its IP regime and supporting infrastructure in recent years and local trademark applications rose from some 21,000 in 2003 to more than 23,000 in 2004.

THE PHILIPPINES

News in November 2005

1. NBI supports campaign against software piracy
(from *Philippine Daily Inquirer, 5 November 2005*)

The NBI, Optical Media Board, Philippine National Police, Intellectual Property Coalition and the Business Software Alliance launched the Pilipinas Anti-Piracy team in Shangri-la Hotel, Makati City.

The team spearheads the campaign that aims to curb software piracy in the Philippines and reduce the country's software piracy rate of 71 percent in 2004 to a manageable level this year. The campaign was to start after 30 days from the launching. A warning to this effect was disseminated through the media, enjoining users of unregistered or pirated software to comply with the requirements of RA 8293 (Intellectual Property Code of the Philippines).

The bureau acts based on complaints from members of the BSA, and only in accordance with its mandate as a component of the law enforcement community.

2. Anti-piracy team nets P19m in illegal software
(from *INQ7.net*, 17 November 2005)

The Pilipinas Anti-Piracy Team recently reported that its campaign has netted over 19 million pesos worth of illegal business applications since it started two months ago.

There have been eight raids so far, with new ones planned against suspected users of unlicensed software. The nationwide anti-piracy activity is organized by the Business Software Alliance (BSA), with an enforcement team composed of operatives of the National Bureau of Investigation, the Philippine National Police, and Optical Media Board.

BSA Asian director for anti-piracy Tarun Sawney said in a press conference that the group's anti-piracy activities are set for expansion to other regions, where piracy is more rampant due to lower enforcement rates of intellectual property laws.

The BSA has also sent out 6,000 letters to various companies advising them against the use of illegal business software and its consequences, Sawney said. "This will be a continuous education and promotion program for the BSA so that we could lower the piracy rate in the Philippines."

So far, piracy rate for business software in the Philippines is pegged at around 70 percent, he added. Sawney also said that since the formation of the Pilipinas Anti-Piracy Team, they have received about 600 phone calls from various business establishments on shifting to legal software.

INDONESIA

News in November 2005

Police raid centers of pirated VCDs

(from *The Jakarta Post Newspaper, Indonesia*, 19 November 2005)

City police confiscated on Thursday more than 160,000 pirated CDs, VCDs and DVDs from stores and warehouses in Mangga Dua Mall and Ratu Plaza, two of the biggest areas for pirated discs in the capital. Jakarta Police special crimes unit chief Sr. Comr. Syahrul Mama said on Friday police were tracking down the owners of the stores and warehouses after officers questioned employees.

In Mangga Dua, police confiscated around 59,000 pirated discs, including more than 5,000 pirated adult movie titles, while in Ratu Plaza, police took 100,000 discs, including 10,000 adult movie discs and software CDs.

Syahrul said the raids were part of a program to crack down on the sources of pirated discs that are widely sold across the capital. He acknowledged, however, that it would be difficult to stop pirated discs from entering Jakarta.

Jakarta has long been known as a haven for pirated discs which are sold openly in markets across the city. Earlier, police raided Glodok, the biggest retail center for pirated discs in West Jakarta and confiscated hundreds of CDs, VCDs, DVDs and adult movies.

VIETNAM

News in November 2005

1. Vietnam establishes council for trademark programme
2. Over 1,000 trademarks registered for protection abroad
3. Vietnam priority anti-counterfeit measures
4. Trademark registrations likely to rise by 20%
5. Vietnam looks to boots trade secret protection
6. Assembly adopts laws on IP and e-transaction
7. Trademark exhibition attracts 160 companies

1. Vietnam establishes council for trademark programme
(from *Thai News Service, 1 November 2005*)

Deputy Prime Minister Vu Khoan has issued a decision establishing a consultative council for the national trademark programme.

This move is intended to further promote the large-scale trademark programme approved by the Government in 2003. The council will be responsible for adopting criteria under which products will be chosen to bear the national trademark symbol. The council will also grant prizes for export achievements.

The Prime Minister announced the project to establish and develop a national trademark in November of 2003. The trademark is viewed as a long-term trade promotion programme aimed at marketing quality products carrying the national trademark symbol in domestic and international markets.

In two years, however, since commencement of the national trademark programme, criteria for selecting product to bear the trademark have not been established.

2. Over 1,000 trademarks registered for protection abroad
(from *Vietnam News Brief Service, 14 November 2005*)

Vietnamese businesses have so far registered 115,000 trademarks at home and more than 1,000 trademarks abroad for protection, local media reported. The number of trademarks registered this year is likely to rise 20% against last year.

The trend has illustrated that business circles have increasingly been aware of intellectual property rights in conducting business, said Deputy Director of the Department of Intellectual Property, Tran Viet Hung, at a workshop on November 11.

3. Vietnam priority anti-counterfeit measures
(from *Thai News Service, 18 November 2005*)

Vietnam has always priority efforts against the production and trading of fakes, especially since the country has been implementing its roadmap for WTO membership, said a senior official. However, Nguyen Duc Thinh, a member of the Steering Board for Fakes, Smuggling and Trade Frauds Control, admitted at a press briefing on November 16 that the country is facing numerous difficulties in the fight, including the lack of a complete legal system and unacceptably low rates of fines for violations.

A hundred million VND in maximum fines is too low when compared with damages to the economy caused by the actions, said Thinh, who is also Head of the Market Management Department. In addition, naturally permeable borders with lengths of 3,260 km on sea and 2,700 km on land have made enforcement especially difficult, Thinh said.

Thinh said until 1995, punishments on intellectual property violations were added to the Civil Code, and it is expected that a pending law on intellectual property will strengthen the combat of fakes.

4. Trademark registrations likely to rise by 20%
(from *Thai News Service*, 21 November 2005)

Vietnamese companies have registered more than 115,000 domestic and more than 1,000 international trademarks, said Tran Viet Hung, director of the Ministry of Science and Technology's Intellectual Property Department.

The number of Vietnamese trademarks registered at home and abroad is projected to rise 20 per cent over last year's figure.

5. Vietnam looks to boost trade secret protection
(from *Thai News Service*, 23 November 2005)

Experts have called on the Government to take firmer measures on protecting trade secrets for businesses to ensure fair competitions.

It was a goal set at a seminar, held in Hanoi on November 21, during which Vietnamese intellectual property officials heard about international experiences, especially from Swiss experts in protecting, managing and tapping trade secrets, and solving relevant disputes.

On trade secret protection, participants argued that businesses have to compete on the basis of their own technical innovations and other trade secrets and they need legal help to protect these secrets in a manner similar to other intellectual property rights.

In reply, Dr. Pham Phi Anh, Deputy Director of the Intellectual Property Service, said the issue was addressed in Vietnam as early as October 2000 when the Government issued a decree that recognizes trade secrets as intellectual property rights under the State protection.

A set of legal guidelines and trade secret-protection procedures are in the making to help businesses increase their competitiveness and boost operations, Anh said.

6. Assembly adopts laws on IP and e-transaction
(from *Thai News Service*, 23 November 2005)

The National Assembly on Saturday adopted the laws on Intellectual Property (IP), Environmental Protection (revised) and Electronic Transactions. With 222 articles defining in detail matters on copyright, industrial property, and cultivated crops, the Intellectual Property Law is an essential legal document for Vietnam's international economic integration.

In compiling the law, related agencies and NA deputies paid special attention to the protection of rights on new plant varieties, an important matter in negotiations for Vietnam's admission to the World Trade Organisation (WTO) and bilateral negotiations with other nations.

The law was drafted with input from Vietnamese and international experts, and takes into account Vietnam's commitments in the Vietnam-US bilateral trade agreement (BTA) and other international treaties.

NA deputies agreed that the draft law was compiled fairly in terms of its content and form. Seventy-five per cent of deputies voted 'yes' on the draft law on industrial property. Before that, they voted to pass nine clauses on which they had differing opinions.

It is hoped that the law, which goes into effect on July 1, will help resolve current pressing problems on intellectual property violations in Vietnam.

In voting on the Environmental Protection Law (revised), the NA Standing Committee summarised the opinions of NA deputies who spent a great deal of time discussing the draft law at NA sessions.

The Law is supplemented with regulations defining entities and their responsibilities in appraising reports on the environment; and regulations on prohibited activities, such as living in areas considered dangerous for people's health. The supplements and amendments also include regulations on liability and compensation in terms of environmental damages.

NA deputies voted to pass the full text of the draft law with 73 per cent approval. The law will also take effect on July 1 of 2006. Although the stipulations in eight chapters and 54 articles of the Electronic Transaction Law are new to Vietnam, 72 per cent of NA deputies voted in favour yesterday in order to meet the demand for rapid development of information technology.

The law addresses the legal value of electronic messages, the dispatching and receiving of these messages, electronic signatures, certification of electronic signatures, electronic contracts and their implementation, electronic transactions among State agencies, and security and safety in electronic transactions.

The law will come into effect in March of 2006.

The National Assembly also approved a resolution on the 2006 programme of laws and ordinances, with priority being given to the enactment of laws and ordinances serving the country's international integration process.

The resolution highlights that draft laws that are expected to be ratified next year must be made consistent with international law and be designed to facilitate Vietnam's international integration. They include laws on securities, guest workers, gender equality, and donating and receiving human organs.

The National Assembly plans to pass 25 draft laws in its two sessions next year. It is also expected to approve one resolution and the NA Standing Committee is expected to pass 12 other ordinances. Some National Assembly deputies remarked that breakthroughs have been made in the lawmaking process this year.

They elaborated that the process has been revised, helping to accelerate the process of approval while ensuring high quality laws. However, they added that the introduction of guidelines on the implementation of laws and the dissemination of information on newly-enacted laws has progressed slowly, hindering the execution of laws and ordinances.

7. Trademark exhibition attracts 160 companies
(from *Thai News Service*, 29 November 2005)

More than 160 top companies are exhibiting their works at the first Top Trademark Exhibition, called VTOPBUILD 2005, in HCM City. The exhibit is part of the International Vietnam Building Exhibition (VIETBUILD) sponsored by the Ministry of Construction and HCM City People's Committee.

"We want customers and enterprises to know about the best companies in the construction sector. We are looking for a national trademark for the industry," said Nguyen Dinh Hung, general director of the International Exhibition and Fair Corporation, organiser of the exhibition.

One-hundred and sixty companies are participating in the exhibit, representing companies in construction, materials, housing, decoration, design and real estate. Twenty of them are joint-venture companies, 35 per cent are State-owned companies and the rest, joint stock and limited companies.

INDIA

News in November 2005

New piracy law soon: Minister

(from The Hindu, 25 November 2005)

To keep up with the rapid technological growth in the entertainment sector and to protect it from piracy, unauthorised digital reproduction and violation of digital intellectual property rights, the Central Government is drafting new legislation.

While India was the second-fastest growing economy in the world, with about eight per cent growth per annum, the entertainment sector was growing at 18 per cent. Moreover, the Indian film industry made \$2 billion a year through its 800 films, Hollywood was making \$36 billion through just 450 films, he said.

To expand the scope of the industry, the Ministry of Information and Broadcasting, now under the charge of Priyaranjan Dasmunsi, would carry on the job of signing co-production treaties with other countries.
