



Asia-Pacific
Economic Cooperation

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Agenda Item: III

APEC Anti-Counterfeiting and Piracy Initiative

Purpose: Consideration
Submitted by: SOM Chair



**Meeting of APEC
Ministers Responsible For Trade
Jeju, Korea
2-3 June 2005**

Executive Summary

Leaders and Ministers agreed in Santiago last November on recognizing the importance of improved protection and enforcement of intellectual property rights and the need to build on the APEC Comprehensive Strategy on Intellectual Property Rights in 2005, “including to reduce piracy, trade in counterfeit goods and online piracy, and increase cooperation and capacity building” (APEC Ministerial Meeting 2004).

To take their mandate forward, APEC Senior Officials should agree at SOM II to develop a package of deliverables for Ministers Responsible for Trade, the APEC Ministerial Meeting and Leaders to endorse and begin implementing this year that reduce trade in counterfeit and pirated goods and online piracy, while increasing cooperation and capacity building.

The initiative proposes work in four areas of anti-counterfeiting and piracy: 1. reducing trade in counterfeit and pirated goods; 2. reducing online piracy; 3. increasing cooperation to stop piracy and counterfeiting; 4. increasing capacity building to strengthen anti-counterfeit and piracy enforcement. Private sector and other stakeholder input is also an important component.

Recommendations

SOM to endorse the APEC Anti-Counterfeiting and Piracy Initiative.

APEC ANTI-COUNTERFEITING AND PIRACY INITIATIVE
SOM II Jeju
30-31 May 2005

APEC is one of the world's most dynamic economic regions. Innovation and creativity have driven increased regional prosperity, and are essential for continuing this upward trend. Trade in counterfeit and pirated goods, and use of the Internet for these purposes is endemic. It threatens innovation in our region, commercial competitiveness, especially for small businesses, and the health and safety of our citizens.

Ministers agreed in Santiago last November on "the importance of effective intellectual property protection and enforcement regimes, and their contribution toward promoting investment, innovation and economic growth ... and the need to build on the APEC Comprehensive Strategy on Intellectual Property Rights in 2005, including to reduce piracy, trade in counterfeit goods and online piracy, and increase cooperation and capacity building." Leaders endorsed the Ministerial Statement, recognizing that "improved protection and enforcement of intellectual property rights contribute to the promotion of investment, innovation and economic growth" and "welcom[ing] APEC's work on the APEC Comprehensive Strategy on Intellectual Property Rights and encourag[ing] further progress in 2005."

To take their mandate forward, APEC Senior Officials should agree at SOM I to develop a package of deliverables for Ministers Responsible for Trade (MRT), the APEC Ministerial Meeting (AMM) and Leaders to endorse and begin implementing this year that reduce trade in counterfeit and pirated goods and online piracy, while increasing cooperation and capacity building.

Reduce Trade in Counterfeit and Pirated Goods

Objective: To reduce trade in counterfeit and pirated goods and to effectively combat transnational networks that produce and distribute such goods through strong and effective border and civil or criminal intellectual property enforcement measures, while facilitating legitimate trade.

Proposal:

- Develop APEC model guidelines for members' competent authorities to inspect, suspend, seize and destroy goods and equipment used in cases of import, export and transshipment of counterfeit and pirated goods, recognizing existing constitutional requirements. At a minimum, such guidelines would be with respect to counterfeit trademark and pirated copyright goods. Individual members could choose to use them with respect to additional kinds of infringing goods.
- Discuss economies' efforts to ensure that supply chains are free of counterfeit and pirated goods, and work to develop model guidelines in this area.
- Identify and report on steps to implement the 2003 APEC Effective Practices for Regulations Related to Optical Disc Production in economies' legal regimes.

Reduce Online Piracy

Objective: Work to put into place appropriate legal regimes and enforcement systems to curtail online piracy, and to ensure that the Internet and e-commerce are not used to facilitate trade in counterfeit goods.

Proposal:

- Develop APEC model guidelines to protect against unauthorized copies in any manner or form, including digital form, in line with the Berne Convention, the WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty.
- Develop APEC model guidelines to prevent the sale of counterfeit goods over the Internet.

Increase Cooperation to Stop Piracy and Counterfeiting

Objective: Combat counterfeiting, piracy and on-line piracy networks, including transnational networks, by strengthening operational contact and facilitating the exchange of information on intellectual property rights (IPR) enforcement matters between APEC economies' customs and law enforcement agencies.

Proposal:

- Identify customs and law enforcement contacts from each economy using the model form attached at Annex 1. Contacts from each economy would be an agency, or individual within an agency, with operational authority and expertise in investigating and prosecuting intellectual property offenses.

Increase Capacity Building to Strengthen Anti-Counterfeit and Piracy Enforcement

Objectives: Strengthen economies' ability to develop and manage effective anti-counterfeiting and piracy enforcement systems; assist economies to promote and increase public awareness of how counterfeiting and piracy harm economic welfare, health and safety; and facilitate active public participation in combating counterfeiting and piracy operations.

Proposal:

- Develop APEC model guidelines for effective IPR public awareness campaigns that economies can customize to meet their specific needs and circumstances, drawing, *inter alia*, on results and lessons learned from public awareness campaigns that several APEC economies are using to inform their citizens about the importance of IPR protection and enforcement.
- Establish a website in each economy to provide businesses and individuals with basic factual information on mechanisms available and procedures necessary to secure and enforce their

intellectual property rights in that economy and points of contact for similar information in other economies, which may be a feature of APEC IPR Service Centers.

- Organize enforcement training seminars and other events, recognizing that training of officials and public outreach is a critical component of strengthening IPR regimes.

Examples of public awareness campaign ideas, existing hotlines and websites, and enforcement training seminars and other events are attached at Annex 2.

Private Sector Input

APEC Senior Officials will seek input and participation, as appropriate, from the private sector and other stakeholders, including the APEC Business Advisory Council (ABAC).

ANNEX 1

[ECONOMY COUNTRY NAME]

APEC ANTI-COUNTERFEITING AND PIRACY POINTS OF CONTACT

	CUSTOMS	ON-LINE PIRACY	IPR CRIME
CONTACT <i>(Contact office and ministry/agency. Name and title of responsible official, if appropriate.)</i>			
DIRECTIONS <i>(Address, telephone number, fax number and e-mail address for contact.)</i>			
RESPONSIBILITIES <i>(Specific investigative and/or prosecutorial role and responsibilities of contact.)</i>			
LANGUAGE CAPABILITIES <i>(Language(s) spoken by Point of contact.)</i>			

LAST UPDATED --- [DATE]

Public Awareness Campaigns
Hotlines and Websites
Enforcement Training and Other Events

This Annex contains examples of: (a) public awareness campaign methods that individual economies have used, (b) websites and hotlines of member economies, and (c) IPR enforcement training and other events economies have conducted.

APEC Senior Officials should encourage all member economies to add additional examples to the three sections below.

Public Awareness Campaigns

Retail Campaigns

- “No Fakes” campaign involves over 450 companies with over 3,000 retail outlets that pledge to sell no counterfeit or pirated goods, and prominently display the “No Fakes” logos in their stores. (Hong Kong, China)
- “I Pledge” campaign in which consumers promise to buy only legitimate products. Attendance at several popular concerts limited to “I Pledge” cardholders only. (Hong Kong, China)
- “Support Genuine Goods” campaign, in which about 14,000 stores participate. Stickers reading “We do not sell counterfeit and piracy goods” are distributed to computer shops, boutiques, KTVs, record stores, retailing chain stores, department stores, etc. (Chinese Taipei)
- A public awareness initiative, the HIP (Honour Intellectual Property) launched a “Say No! to Piracy” sticker campaign in June 2004 where 200,000 stickers printed with the slogan were issued to participating businesses including Nokia, Microsoft and the Recording Industry Association of Singapore. (Singapore)
- The HIP Alliance also launched its islandwide mass media campaign in September 2004. Taglines like “Piracy Kills Creativity,” “Change is Good,” “Ideas Change Lives” and “Keep it Real” were used in the campaign. The campaign uses both print, broadcast as well as outdoor media to reach out to Singaporeans of all levels. The campaign lasted for six months from September 2004 to March 2005. (Singapore)
- The HIP Alliance Campaign kicked off on 26 April 2005. This ties with the celebration of World IP Day as well. This year’s campaign features young and fresh faces making a stand on protecting creativity and ideas. The campaign aims to get the young Singaporeans to understand that every new piece of work or invention that helps to enrich our lives started with someone’s idea. (Singapore)
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- “The Anti-Counterfeiting Campaign” emphasizing that: a) counterfeit and pirated goods can be easily found in nearby markets; b) act of selling IP infringing goods is illegal; and c) purchasing of IP infringing goods will encourage trade in counterfeit and pirated goods. (Japan)

- Brochures, which specifically describe possible negative effects of counterfeit goods on consumers and right holders, have been distributed at the police, customs, consumer centers and universities. Moreover, Japan customs has distributed pamphlets for international passengers to improve awareness of airport embargoes on infringing goods. (Japan)

Media Campaigns

- Television programs on IPR aired on state-owned television (including both interviews and documentaries). (Viet Nam)
- Publish news stories of enforcement actions against infringers. (United States; Hong Kong, China)
- Media advertisements on software piracy, explaining both the penalties associated with end-user piracy and benefits stemming from use of legitimate software. (Korea; Malaysia)
- Short “trailer” in cinemas that describes the impact of movie piracy on film industry workers, such as set builders, lighting technicians, etc. (United States)
- Short trailer in cinemas that explains that downloading of digital product is still theft. (Australia) In Malaysia, a similar trailer runs on locally-produced video compact discs before the movie begins. (Malaysia)
- National “Theft is Theft” Campaign, which has run repeatedly on Canadian TV from 2003 onwards. This campaign, which is organized by the Canadian Alliance Against Satellite Theft (CAAST), clearly states that the illegal use of a satellite signal is a crime in Canada. In addition to the TV aspect, the campaign has run panel discussions with the media in an effort to better educate journalists about the economic consequences of satellite piracy to Canada’s culture industry and the people it employs. (Canada)
- National “Value of Music” Campaign, which ran extensively in Canadian print and radio outlets as well as targeted websites. This campaign, which is organized by the Canadian Recording Industry Association (CRIA), seek to teach children about the importance of not downloading by demonstrating to them the benefits of buying music for the artists that produce it and for the consumers who listen to it. (Canada)
- 30-second movie clips are being aired intensively on TV to raise public awareness on IPR protection. (Chinese Taipei)
- Online games on IPR protection, such as “Smart Pet College” and “Smart Agent” were launched to foster the concept of IPR protection. (Chinese Taipei)
- Movie clips have been shown on TV wall at C.K.S. International Airport and MRT stations in Taipei. (Chinese Taipei)
- HIP Alliance, in partnership with the Motion Pictures Association launched an anti-piracy trailer island-wide in July 2004. The trailer was aired in all cinemas and eventually made it to HBO as well as home videos. (Singapore)
- The types of media used in “the Anti-Counterfeiting Campaign” are TV spots, posters in public areas, advertisements in fashion magazines, and banner advertisings on Internet auction sites. (Japan)
- The broadcast of interactive talk shows on IPR on various TV and radio stations. (Indonesia)

Seminars

- IP seminars for businesspeople. Wide media coverage of National IP seminar with keynote address by Deputy Prime Minister. (Viet Nam)
- Numerous continuing legal education programs on latest trends in intellectual property law. (United States)
- Seminars for business people were held nationwide in order to engender IPR protection, as well as to obey related laws. (Chinese Taipei)
- The U.S. Department of Commerce has recently conducted numerous educational outreach campaigns in the states of California, Florida, Illinois, New York, North Carolina, Indiana, Missouri, New Jersey, Texas and Oklahoma informing and training small and medium sized enterprises on how to secure and protect their rights in today's global marketplace and where to turn for federal resources and assistance. (United States)
- HIP Alliance also organized a Retailer Seminar in the beginning of 2005 to educate retailers on the revised copyright laws and urge all retailers to help their customers get legal. (Singapore)
- Seminars to disseminate basic knowledge/information about industrial property, contents and practices of the expansion guideline, and law revisions widely to the public. They are held by category (*i.e.*, for beginners, for persons who work in the field of IP (advanced) and under the theme of legal revision) in various parts of the country and some seminars are held to meet the particular needs of the region. (Japan)
- Roving workshop on the Utilization of IPR System by Universities and R&D Institutions in Medan (30-31 August 2004), Jambi (2-3 September 2004), Banjarmasin (6-7 September 2004), and Yogyakarta (9-10 September 2004). (Indonesia)
- Roving Workshop on the Use and Benefits of IP system by Small and Medium Industries in Palembang (7-8 June 2004), Padang (17-18 June 2004), Balikpapan (14-15 June 2004), Gorontalo (17-18 June 2004), Malang (21-22 June 2004) and Mataram (24-25 June 2004). (Indonesia)
- Activities commemorating the fourth world Intellectual Property Day (26 April 2004), including a seminar, IPR exhibition and competition of Best Designer of Registered Industrial Designs. (Indonesia)
- Organizing IP seminars to regional areas, aiming to disseminate the knowledge of intellectual property and setting up the mobile units for receiving IP registration and recordation applications to all parts of the country. (Thailand)

Celebrity/Cultural Events

- Concerts by popular musical artists that highlight the importance of IP and urge young consumers to support legitimate retailers. (China; Hong Kong, China; Malaysia; 2003 APEC CEO Summit)
- Highly publicized music and film award ceremonies, such as the "Grammys" and "Oscars," that convey a strong anti-piracy message. (United States)
- IPR-themed posters of celebrities prominently displayed in public spaces. (Japan; Hong Kong, China; Korea)
- The Anti-Counterfeiting Campaign using a famous fashion model. (Japan)

Exhibitions/Trade Fairs

- National Science Fair exhibit of various forms of IP, and ways to protect it. Distributed free educational CD geared toward young teenagers. (Australia)
- Exhibition on Anti-Counterfeit Technologies and Protection, with open dialogue between government officials and businesspeople. (Viet Nam)
- Trade Fair with government officials present to handle IP complaints. Written IP guidance included in trade fair materials. (China)
- Setting up stalls in the 2004 Taiwan International Technology Fair to promote IPR protection. (Chinese Taipei)
- Patent Licensing Fairs in various parts of the country to provide right holders who wish to license their patents and those who wish to introduce patents with an opportunity to directly communicate with each other towards the creation of new businesses and industries (in eight cities in fiscal 2004). (Japan)
- Japan customs has exhibition rooms in which seized infringing goods are displayed to the public. (Japan)

Children's Activities

- IPR-themed computer game for children. (Hong Kong, China)
- Children's educational programs that teach the importance of protecting copyright, and facilitate the copyrighting of the children's own creative work, if desired. (United States)
- IPR education in school curricula and teacher training. (Korea)
- www.keepmusiccoming.com website that allows children to play an interactive game that walks them through the process of a music recording from the perspective of an artist or a producer. (Canada)
- IPR awareness campaign at elementary schools, junior and senior high schools for establishing the concept of IPR protection. (Chinese Taipei)
- The U.S. Department of Justice has organized day-long seminars in Washington, DC and Los Angeles, California to educate American youth about intellectual property rights. At each event, an audience of senior high school students hears directly from both the creators of intellectual property and the law enforcement officials who protect copyrighted works. Taped coverage of the events will be edited to produce an educational video to further disseminate the anti-piracy message. (United States)
- IPOS runs a kids programme under the branding of iperckidz at primary and secondary schools. Iperckidz has developed a dedicated website to provide resources for teachers. The website also features our very own super sleuth, Detective IP, whose mantra is "Be Curious, Protect IP." An interactive CD-ROM revolving the Detective IP was also developed to attract school children to learn more about IP. Iperckidz also organizes annual IP school camps to provide intensive training to kids on IP. (Singapore)
- The Make Your Mark! Competition is one of the new additions to the suite of programmes offered by iperckidz. The annual event aims to provide our students with branding knowledge and encourages them to derive their business proposals, thereby inculcating an entrepreneurial spirit in our kids. (Singapore)
- Preparation and charge-free distribution (upon request) of IP education materials to educational institutions all over Japan in accordance with the age group of pupils/students. Seminars and Workshops are also held for pupils/students to utilize the above-mentioned IP educational materials. (Japan)

- “Campaign to Create Public Awareness of Copyright,” aiming to create awareness among students regarding the importance of copyright protection and to educate the students on intellectual property rights so as not to buy or use infringing goods. (Thailand)
- Establishing multimedia for disseminating knowledge of intellectual property rights to students in primary schools. (Thailand)
- Providing “IP for Kids” website at www.ipthailand.org containing basic information about intellectual property rights for children.

Outreach Activities

- Parade celebrating national brands and trademarks and highlighting the importance of protecting trademarks. (Viet Nam)
- Publicized hotline to report fake or shoddy products. (China)
- Printing and distribution of various publications on IPR, including books on Compilation of Law on IPR, Guidelines of IPR and Training Material on Law Enforcement; an Annual Report; brochures and leaflets; and a poster, banners and stickers. (Indonesia)
- “Creation of Copyright Works Contest,” aiming to encourage the creation of copyright works and commercial exploitation of copyrights. (Thailand)
- Launching “IP Family Cartoon Characters Contest” with the Business Software Alliance to convey IP messaging in a visual and simplistic form as an anti-piracy symbol. (Thailand)
- Setting up a Software Asset Management (SAM) campaign to persuade companies, enterprises, organizations, and users concerning sustainable successful business with responsible legitimate intellectual property management and responsible policy. (Thailand)

Hotlines and Websites

The United States has established a hotline (1-866-999-HALT) and a website (www.stopfakes.gov) that provides a contact point for information on IPR enforcement and to report problems domestically and in other countries. (United States)

Another website (www.musicunited.org) provides information on piracy, what the law says, what artists say, a parents’ page, frequently asked questions, and provides a link to legal music sites. (United States)

Australia has established a website (www.ipaccess.gov.au), which provides an integrated access point for intellectual property information in Australia and IP Australia’s website (www.ipaustralia.gov.au). Other aids include the IP Toolbox, a resource for small business managers, and a publication and web-based resource called “Smart Start™” that has been developed to introduce people to basic intellectual property concepts when starting a business. (Australia)

www.caast.com provides information on satellite piracy, Canadian laws relating to satellite theft and frequently asked questions. (Canada)

Chinese Taipei has established a toll free hotline (110 or 0800-211-039) and a website (www.tipo.gov.tw/eng/prosecution/acc_main.asp) that provides a contact point for information on counterfeit and infringement, administrative procedures, judicial litigations and statistics, and to report problems. (Chinese Taipei)

IPOS set up a new IP laws website (www.newiplaws.org.sg) in 2003 to help inform and educate Singaporeans on the comprehensive changes on the IP regime as a result of the USSFTA. A Taskforce comprising key business associations and leading economic agencies was also set up to provide feedback on the legislation. The taskforce has conducted a few surveys with local businesses to get their views on the legislation. It has also launched the Software Licensing Programme, pulling together ten participating software vendors to offer attractive discounts to local businesses and encourage compliance with the new copyright laws. (Singapore)

Japan's APEC Intellectual Property Right (IPR) Service Center and its website (www.meti.go.jp/policy/ipr/eng/overview/ipr_sc.html) provide a one-stop consultation service about counterfeiting and piracy. Japan's customs homepage provides information on customs border enforcement against IPR infringement (www.customs.go.jp/mizugiwa/chiteki/index.htm). (Japan)

The development and improvement of the Internet website of the Directorate General of Intellectual Property Rights. (Indonesia)

Enforcement Training Seminars and Other Events

Listed below are a few examples of training the United States has offered to APEC partners:

- Korea – The United States provided training and technical assistance to Republic of Korea police, prosecutors and judges to combat online and optical media piracy. Training provided by U.S. Department of Justice Computer Crime and Intellectual Property Section (“CCIPS”) (\$75,000).
- Mexico – U.S. Department of Justice CCIPS scheduled in mid-April to provide follow-up programs for investigation and prosecution of trademark infringement; U.S. Department of Homeland Security scheduled to renew joint IP enforcement project with Mexican Customs at ports of entry.
- Thailand – The United States provided technical assistance in fighting piracy to specialized Thai Customs units (\$265,000). (United States)

Canada has conducted the following training seminars and other events:

- Royal Canadian Mounted Police organized a highly successful national training seminar in Burlington, Ontario in October 2004; well attended by representatives from RCMP and Canadian Border Services Agencies, as well as by representatives from border security organizations in the United States and Ireland.
- Canada is an active partner with the United States in the bilateral, Cross-Border Crime Forum which, among other things, is seeking to address issues of common national concern like border security and intellectual property rights enforcement. (Canada)

Chinese Taipei has taken the following actions to strengthen IPR protection:

- Customs held seminars on IPR border control operations to strengthen the enforcement abilities among Customs officers.
- Customs invited famous trademark owners or their authorized agents to give lectures on the differentiation between genuine and counterfeit.
- Intellectual Property Office (TIPO) provided anti-counterfeit workshops for police, judicial officers and Integrated Enforcement Task Force.
- For the diverging results that arise from differences in research methods and in calculating piracy rates, TIPO and BOFT co-sponsored the “International Symposium on the Study of Audio-Visual Works’ Piracy Rate” in October 2004. (Chinese Taipei)
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Listed below are some examples of training Japan has offered in the APEC region.

- Human resources development assistance in cooperation with WIPO, JICA, and other relevant organizations by receiving staffs of IP Offices and law enforcement authorities, as well as those who work in the field of IP in private organizations/companies for the purpose of developing human resources who are well versed in the field of intellectual property in the APEC region.
- Dispatch of IP experts to and implementation of seminars in the APEC economies in cooperation with WIPO, JICA and other relevant organizations with the aim of assisting the APEC region with the development of effective IP systems.
- Viet Nam – On Enforcement of Intellectual Property Rights, the National Roving Workshop was held in Hanoi on July 5 and 6, 2004, and Ho Chi Minh City on July 8 and 9, 2004, under the Japan Funds-in-Trust arrangement.
- Targeted on customs officials, Japan customs accepted trainees from Asian economies for the IPR seminar held in Tokyo on November 23 to December 2 in 2004, dispatched customs IP experts to China for the WCO Regional Forum on Protection of IPR in November 2004, and other training courses. Moreover, Japan customs help APEC national workshop on TRIPS for Thai customs in cooperation with U.S. customs in Bangkok on April 25-28, 2005.