



MALAYSIA
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Country Report

MALAYSIA

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www.eems-asia.com

1. Topic:	SOFTWARE PIRACY UPDATE
Where:	Malaysia
When:	1 st September 2002
What happened:	<p>Malaysian software piracy is estimated to be about RM500 mil. Business Software Alliance (BSA), an international voice of the software and internet industry, has issued a reward of between RM20,000.00 to RM100,000.00 to anybody with information on companies who use pirated software. As of the 1st of September 2002, The Domestic Trade and Consumer Affairs Ministry has started its crackdown on companies using pirated software.</p> <p>This is just part of the Government's effort in weeding out unscrupulous businesses as unfair competition of this nature would only serve to hinder further development of the IT industry in Malaysia, The method of enforcement by the Enforcement division of the said Ministry is by serving a class injunction obtained from the High Court to prohibit sale and distribution of pirated software by vendors who sell pirated VCDs, CDs of movies, software and sound recording. The class injunction or roving injunction, as it is also known, is a civil action brought against a representative defendant by an affected party's own behalf as well as on behalf of a defined group of affected persons.</p> <p>Meanwhile, Malaysia has been demoted from the US "Priority Watch List" to the "Watch List" by the office of the United States Trade Representative in its recent "Super 301" report.</p>
Comments:	<p>With the strategy formulated by BSA in increasing the amount of reward offered by informers, the task of enforcing the law against organizations resorting to pirated software is made very much easier.</p> <p>Their energy can now be focused on acting against identified infringers</p>

	instead of conducting widespread random checks which can prove futile in many instances. Their efforts should hopefully reduce the piracy menace.
2. Topic:	Optical Discs Act 2000
Where:	Malaysia
When:	15 th September 2000
What happened:	<p>The purpose of this Act is to provide for the licensing and regulation of the manufacture of optical discs and other forms connected therewith. This is one way for the Government to monitor the manufacturers of optical discs and to exert some form of control over them. The new Act states that manufacturers of optical discs must now apply for licenses from the Controller of Optical Discs who will be responsible for the issuance of licenses. Manufacturers are also now required under the new Act to mark a “manufacturers code” on the disc that it manufactures. The Act further provides that any person who commits an offence under this Act shall, once convicted, be liable to a fine or to imprisonment not exceeding three years or to both. For a second or subsequent offence, the offender will be liable to a further fine or to imprisonment for a term not exceeding five years or both. The Act also provides for companies or corporate bodies to be found liable.</p> <p>Although the Act came into force in September 2000, it has only of late been enforced strictly across the country.</p> <p>A recent press report in a local daily reported that the effectiveness of the new law has now made offenders to resort to other means of manufacturing optical discs without licenses. It was further reported that one of the ways in which this is done is by manufacturing these discs aboard vessels in international waters. Reason for this is it would make detection difficult and enforcement somewhat impossible.</p> <p>It would therefore seem to suggest that the Act is effective in ensuring that unlicensed manufacturers of optical discs cease operations within the country.</p>
Comments:	The fact that unlicensed optical disc manufacturers have shifted operations indicates that the Act is effective in eradicating optical disc manufacturers who manufacture pirated discs. It is envisaged that with the continued enforcement of the Act, there will be a marked decrease in copyright piracy as unlicensed manufacturers would have to resort to more expensive alternatives.