FIFTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES First Regular Session



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SENATE
COMMITTEE REPORT NO. 38 RECEIVED BY:
Submitted by the Committee on Trade and Commerce joint with the Committees on Constitutional Amendments, Revision of Codes and Laws; Justice and Human Rights; Finance; and Science and Technology on <u>MAY 2 5 2011</u> .
Re: Senate Bill No. 2842 , prepared by the Committees
Recommending its approval in substitution of Senate Bill Nos. 301, 707, 962, 1818, 2431, 2487, 2553 and 2628 taking into consideration P.S. Resolution Nos. 244 and 365.

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Sponsor: Senator Villar

Mr. President:

The joint Committees on Trade and Commerce; Constitutional Amendments, Revision of Codes and Laws; Justice and Human Rights; Finance; and Science and Technology, to which were referred Senate Bill No. 301, introduced by Senator Trillanes IV, entitled:

"AN ACT

GRANTING EXEMPTIONS FROM SECURING PERMISSION FROM THE PUBLISHER OR COPYRIGHT OWNER OF PRINTED MATERIALS TO REPRODUCE THE SAME IN A SPECIALIZED FORMAT FOR THE EXCLUSIVE USE OF BLIND OR VISUALLY-HANDICAPPED INDIVIDUALS, AMENDING FOR THIS PURPOSE SECTION 185 OF REPUBLIC ACT NO. 8293, OTHERWISE KNOWN AS THE 'INTELLECTUAL PROPERTY CODE OF THE PHILIPPINES', AND FOR OTHER PURPOSES"

Senate Bill No. 707, introduced by Senator Estrada, entitled:

"AN ACT

DECLARING AS UNLAWFUL THE REPRODUCTION OF COPYRIGHTED BOOKS AND PRINTED MATERIALS THROUGH PHOTOCOPYING, DUPLICATING, PRINTING MACHINES OR SIMILAR MEANS WITHOUT THE WRITTEN CONSENT OF THE COPYRIGHT OWNER, WHETHER THE PUBLISHER OR THE AUTHOR OR BOTH" Senate Bill No. 962, introduced by Senator Lapid, entitled:

"AN ACT

STRENGTHENING THE ENFORCEMENT OF THE COPYRIGHT **PROTECTION OF INTELLECTUAL PROPERTY RIGHT OWNERS** OF COMPUTER PROGRAMS CREATING FOR THIS PURPOSE THE BUSINESS SOFTWARE COPYRIGHT PIRACY ENFORCEMENT UNIT, DEFINING ITS **POWERS** AND FUNCTIONS, APPROPRIATING FUNDS THEREFOR, AND FOR **OTHER PURPOSES**"

Senate Bill No. 1818, introduced by Senator Santiago, entitled:

"AN ACT CREATING THE INTELLECTUAL PROPERTY ASSET MANAGEMENT COUNCIL"

Senate Bill No. 2431, introduced by Senator Angara, entitled:

"AN ACT

AMENDING CERTAIN PROVISIONS OF REPUBLIC ACT NO. 8293, OTHERWISE KNOWN AS THE "THE INTELLECTUAL PROPERTY CODE OF THE PHILIPPINES", AND FOR OTHER PURPOSES"

Senate Bill No. 2487, introduced by Senator Villar, entitled:

"AN ACT

AMENDING CERTAIN PROVISIONS OF REPUBLIC ACT NO. 8293 ENTITLED "AN ACT PRESCRIBING THE INTELLECTUAL PROPERTY CODE AND ESTABLISHING THE INTELLECTUAL PROPERTY OFFICE, PROVIDING FOR ITS POWERS AND FUNCTIONS AND FOR OTHER PURPOSES"

Senate Bill No. 2553, introduced by Senator Villar, entitled:

"AN ACT

AMENDING CERTAIN PROVISIONS OF REPUBLIC ACT NO. 8293 ENTITLED "AN ACT PRESCRIBING THE INTELLECTUAL PROPERTY CODE AND ESTABLISHING THE INTELLECTUAL PROPERTY OFFICE, PROVIDING FOR ITS POWERS AND FUNCTIONS AND FOR OTHER PURPOSES" and Senate Bill No. 2628, introduced by Senator Legarda, entitled:

"AN ACT

AMENDING CERTAIN PROVISIONS OF REPUBLIC ACT NO. 8293, OTHERWISE KNOWN AS THE 'INTELLECTUAL PROPERTY CODE OF THE PHILIPPINES' AND FOR OTHER PURPOSES"

and taking into consideration P.S. Resolution No. 244, introduced by Senator Villar, entitled:

"RESOLUTION

DIRECTING THE SENATE COMMITTEE ON TRADE AND COMMERCE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE SYSTEM OF PATENT PROCESSING IN THE PHILIPPINES THE FOR PURPOSE OF ENCOURAGING MORE PATENT APPLICATIONS AND PROTECTING GENUINE **FILIPINO INNOVATIONS"**

and P.S. Resolution No. 365, introduced by Senator Villar, entitled:

"RESOLUTION

URGING THE SENATE COMMITTEE ON TRADE AND COMMERCE AND OTHER APPROPRIATE COMMITTEE/S TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE IMPLEMENTATION OF THE INTELLECTUAL PROPERTY RIGHTS CODE VIS-A-VIS THE ALLEGED HELPLESSNESS OF CONCERNED GOVERNMENT AGENCIES TO CURB SOFTWARE PIRACY"

have considered the same and have the honor to report them back to the Senate with the recommendation that the attached bill, S.B. No. ______, prepared by the Committees, entitled:

"AN ACT

AMENDING CERTAIN PROVISIONS OF REPUBLIC ACT NO. 8293, OTHERWISE KNOWN AS "THE INTELLECTUAL PROPERTY CODE OF THE PHILIPPINES", AND FOR OTHER PURPOSES"

be approved in substitution of Senate Bill Nos. 301, 707, 962, 1818, 2431, 2487, 2553 and 2628 taking into consideration P.S. Resolution Nos. 244 and 365 with Senators Trillanes IV, Estrada, Lapid, Santiago, Angara, Villar and Legarda as authors thereof.

Respectfully submitted:

FRA M. DRILON Chairperson, Committee on Finance

MIRIAM DEFENSOR-SANTIA GO

M Chdirperson, Committee on Trade and Commerce

Chairperson, Committee on Constitutional Chairperson, Committee on Justice and Amendments, Revision of Codes and Laws

FRANCIS "Chiz" G. ESCUDERO Human Rights

RDO'J.'ANGARA

Chairperson, Committee on Science and Technology Vice-Chairperson, Committee on Constitutional Amendments, Revision of Codes and Laws

Vice-Chairpersons:

TEOFISTO I ⁄GUINGONA III Vice-Chairperson, Committee on Justice and Human Rights

JUAN MIGUEL F. ZUBIRI Vice-Chairperson, Committee on Science and Technology

Members:

SERGIO R OSMEÑA III

GREGØRIO B. H

MANUEL "Lito" M. LAPID

LOREN B. LEGARDA FERDINAND "Bongbong" MARCOS **REVILLA JR.**

RALPH G, RECTO FRANCIS NAMGILINAN

JOKER P. ARROYO

may amend fentry ell ΡΙΑ S. CAYETANO

CSON PANFILOML

Ex-Officio Members:

JUNGGQY EJERCITO ESTRADA Presiden Pro-Tempore

ANTÓNIO "Sonny" F. TRILLANES IV

VICENTE C. SOTTO III Majority Floor Leader

2

ALAN PETER "Compañero" S. CAYETANO Minority Floor Leader

HON. JUAN PONCE ENRILE Senate President Senate of the Philippines Pasay City **FIFTEENTH (15TH) CONGRESS REPUBLIC OF THE PHILIPPINES** First Regular Session



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SENATE

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S. B. No. (In Substitution of Senate Bill Nos. 301, 707, 962, 1818, 2431, 2487, 2553 and 2628 taking into consideration P.S. Resolution Nos. 244 and 365)

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Prepared by the Joint Committees on Trade and Commerce; Constitutional Amendments, Revision of Codes and Laws; Justice and Human Rights; Finance; and Science and Technology with Senators Trillanes IV, Estrada, Lapid, Santiago, Angara, Villar and Legarda as authors thereof

"AN ACT

AMENDING CERTAIN PROVISIONS OF REPUBLIC ACT NO. 8293, OTHERWISE KNOWN AS "THE INTELLECTUAL PROPERTY CODE OF THE PHILIPPINES", AND FOR OTHER PURPOSES"

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Section 6 of Republic Act No. 8293, otherwise known as the Intellectual 1 Property Code of the Philippines, is hereby amended to read as follows: 2 3 "Sec. 6. The Organizational Structure of the IPO.- x = x = x4 5 6.2 The Office shall be divided into [six (6)] SEVEN (7) Bureaus, each of which 6 shall be headed by a Director and assisted by an Assistant Director. These Bureaus 7 are: 8 ххх 9 10 (f) The Administrative, Financial and Personnel Services Bureau; AND, 11 12 (G) THE BUREAU OF COPYRIGHT." 13 14

SEC. 2. Section 7 of RA No. 8293 is hereby amended to read as follows:

"Sec. 7 The Director General and Deputies Director General. -

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7 (b) Exercise exclusive appellate jurisdiction over all decisions rendered by the 8 Director of Legal Affairs, the Director of Patents, the Director of 9 Trademarks, THE DIRECTOR OF COPYRIGHT, and the Director of 10 the Documentation, Information and Technology Transfer Bureau. The decisions of the Director General in the exercise of his appellate 11 12 jurisdiction in respect of the decisions of the Director of Patents, the and the Director of Trademarks shall be appealable to the Court of Appeals in 13 14 accordance with the Rules of Court; and those in respect of the decisions 15 of the Director of the Documentation, Information and Technology Transfer Bureau AND THE DIRECTOR OF COPYRIGHT shall be 16 17 appealable to the Secretary of Trade and Industry;

- C) UNDERTAKE ENFORCEMENT FUNCTIONS SUPPORTED BY
 CONCERNED AGENCIES SUCH AS THE PHILIPPINE
 NATIONAL POLICE, NATIONAL BUREAU OF INVESTIGATION,
 BUREAU OF CUSTOMS, OPTICAL MEDIA BOARD, LOCAL
 GOVERNMENT UNITS, AMONG OTHERS;
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D) CONDUCT VISITS DURING REASONABLE HOURS TO ESTABLISHMENTS AND BUSINESSES ENGAGING IN ACTIVITIES VIOLATING INTELLECTUAL PROPERTY RIGHTS AND PROVISIONS OF THIS ACT BASED ON REPORT, INFORMATION OR COMPLAINT RECEIVED BY THE OFFICE; AND,

- 32E)SUCHOTHERFUNCTIONSINFURTHERANCEOF33PROTECTING IP RIGHTS AND OBJECTIVES OF THIS ACT. "
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- SEC. 3. A new Section 9A is hereby inserted after Section 9 of R.A. No. 8293, to read as
 follows:
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"Sec. 9A. THE BUREAU OF COPYRIGHT. - THE BUREAU OF COPYRIGHT 1 SHALL HAVE THE FOLLOWING FUNCTIONS: 2 3 **9A.1. EXERCISE ORIGINAL JURISDICTION TO RESOLVE DISPUTES** 4 RELATING TO THE TERMS OF A LICENSE INVOLVING THE 5 **AUTHOR'S RIGHT TO PUBLIC PERFORMANCE OR OTHER** 6 **COMMUNICATION OF HIS WORK.** 7 8 9A.2. ACCEPT, REVIEW AND DECIDE ON APPLICATIONS FOR THE 9 ACCREDITATION OF **COLLECTIVE** MANAGEMENT 10 **ORGANIZATIONS OR SIMILAR ENTITIES:** 11 12 9A.3. CONDUCT STUDIES AND RESEARCHES IN THE FIELD OF 13 **COPYRIGHT AND RELATED RIGHTS; AND;** 14 15 **9A.4 PROVIDE OTHER COPYRIGHT AND RELATED RIGHTS** 16 SERVICE AND CHARGE REASONABLE FEES THEREFOR." 17 18 **SEC. 4.** Section 171.3 of R.A. No. 8293 is hereby amended to read as follows: 19 20 "Sec. 171. Definitions. - x x x 21 22 "Communication to the public" or "communicate to the public" means 171.3 23 **INCLUDING** TO THE PUBLIC, **COMMUNICATION** ANY 24 BROADCASTING, REBROADCASTING, RETRANSMITTING BY CABLE, 25 BROADCASTING AND RETRANSMITTING BY SATELLITE, AND 26 INCLUDES the making of a work available to the public by wire or wireless means 27 in such a way that members of the public may access these works from a place and 28 time individually chosen by them;" 29 30 SEC. 5. Section 171.9 of R.A. No. 8293 is hereby amended to read as follows: 31 32 "Reproduction" is the making of one (1) or more copies, TEMPORARY "171.9 33 OR PERMANENT, IN WHOLE OR IN PART, of a work or a sound recording in 34 any manner or form WITHOUT PREJUDICE TO THE PROVISIONS OF 35 SECTION 185 OF THIS ACT (Sec.41[E], P.D. No. 49a);" 36 37 SEC. 6. There shall be two new subsections to be added at the end of Sec. 171.11, to be 38

1 known as 171.12 and 171.13, both to read as follows:

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"171.12 **MEASURE**" 3 **"TECHNOLOGICAL MEANS** ANY TECHNOLOGY, DEVICE OR COMPONENT THAT, IN THE NORMAL 4 5 COURSE OF ITS OPERATION, RESTRICTS ACTS IN RESPECT OF A 6 WORK, PERFORMANCE OR SOUND RECORDING, WHICH ARE NOT AUTHORIZED BY THE AUTHORS, PERFORMERS OR PRODUCERS OF 7 SOUND RECORDINGS CONCERNED OR PERMITTED BY LAW. 8

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171.13 **"RIGHTS** 10 MANAGEMENT **INFORMATION**" **MEANS** 11 **INFORMATION WHICH IDENTIFIES THE WORK, SOUND RECORDING** OR PERFORMANCE; THE AUTHOR OF THE WORK, PRODUCER OF 12 THE SOUND RECORDING OR PERFORMER OF THE PERFORMANCE: 13 THE OWNER OF ANY RIGHT IN THE WORK, SOUND RECORDING OR 14 PERFORMANCE; OR INFORMATION ABOUT THE TERMS AND 15 CONDITIONS OF THE USE OF THE WORK, SOUND RECORDING OR 16 PERFORMANCE; AND ANY NUMBERS OR CODES THAT REPRESENT 17 SUCH INFORMATION, WHEN ANY OF THESE ITEMS IS ATTACHED TO 18 A COPY OF THE WORK, SOUND RECORDING OR FIXATION OF 19 PERFORMANCE OR APPEARS IN CONJUNCTION WITH THE 20 COMMUNICATION TO THE PUBLIC OF A WORK, SOUND RECORDING 21 **OR PERFORMANCE."** 22

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SEC. 7. The Chapter Title of Chapter VII, Part IV, the Law on Copyright, is hereby amended as follows:

Chapter VII 26 "Transfer [or], Assignment AND LICENSING of Copyright" 27 28 SEC. 8. Section 180 of R.A. No. 8293 is hereby amended to read as follows: 29 30 "Sec. 180. Rights of Assignee OR LICENSEE. - 180.1. The copyright may be 31 assigned OR LICENSED in whole or in part. Within the scope of the assignment OR 32 LICENSE, the assignee OR LICENSEE is entitled to all the rights and remedies 33 which the assignor OR LICENSOR had with respect to the copyright. 34 35 The copyright is not deemed assigned OR LICENSED inter vivos, in 180.2 36

37 whole or in part, unless there is a written indication of such intention.

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1 180.4 ANY EXCLUSIVITY IN THE ECONOMIC RIGHTS IN A WORK MAY BE EXCLUSIVELY LICENSED. WITHIN THE SCOPE OF THE 2 EXCLUSIVE LICENSE, THE LICENSEE IS ENTITLED TO ALL THE 3 **RIGHTS AND REMEDIES WHICH THE LICENSOR HAD WITH RESPECT** 4 5 TO THE COPYRIGHT. 6 7 180.5 THE COPYRIGHT OWNER HAS THE RIGHT TO REGULAR 8 STATEMENTS OF ACCOUNTS FROM THE ASSIGNEE OR THE 9 LICENSEE WITH REGARD TO ASSIGNED OR LICENSED WORK." 10 SEC. 9. Section 181 of R.A. No. 8293 is hereby amended to read as follows: 11 12 "Sec. 181. Copyright and Material Object. - The copyright is distinct from the 13 14 property in the material object subject to it. Consequently, the transfer [or]. assignment OR LICENSING of the copyright shall not itself constitute a transfer of 15 16 the material object. Nor shall a transfer or assignment of the sole copy or of one or 17 several copies of the work imply transfer [or], assignment OR LICENSING of the copyright. (Sec. 16, P.D. No. 49)" 18 19 20 SEC. 10. Section 183 of R.A. No. 8293 is hereby amended to read as follows: 21 22 "Sec. 183. Designation of Society. - The [copyright] owners OF COPYRIGHT 23 AND RELATED RIGHTS or their heirs may designate a society of artists, writers, [or] composers AND OTHER RIGHT-HOLDERS to [enforce] COLLECTIVELY 24 25 MANAGE their economic or moral rights on their behalf. FOR THE SAID SOCIETIES TO ENFORCE THE RIGHTS OF THEIR MEMBERS, THEY 26 SHALL FIRST SECURE THE NECESSARY ACCREDITATION FROM THE 27 INTELLECTUAL PROPERTY OFFICE. (Sec. 32, P.D. No. 49a)" 28 29 SEC. 11. Section 184.1 of R.A. No. 8293 is hereby amended to read as follows: 30 31 "Section. 184. Limitations on Copyright. - x = x = x32 33 (I) THE REPRODUCTION OR DISTRIBUTION OF PUBLISHED ARTICLES 34 OR MATERIALS IN A SPECIALIZED FORMAT EXCLUSIVELY FOR THE 35 USE OF THE BLIND, VISUALLY- AND READING-IMPAIRED PERSONS: 36 **PROVIDED, THAT SUCH COPIES AND DISTRIBUTION SHALL BE MADE** 37

1	ON A NON-PROFIT BASIS AND SHALL INDICATE THE COPYRIGHT
2	OWNER AND THE DATE OF THE ORIGINAL PUBLICATION."

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SEC. 12. Section 185.1 of R.A. No. 8293 is hereby amended to read as follows:

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6 "Sec. 185. Fair Use of a Copyrighted Work. -185.1 The fair use of a copyrighted work for criticism, comment, news reporting, teaching including [multiple] 7 LIMITED NUMBER OF copies for classroom use, scholarship, research, and 8 9 similar purposes is not an infringement of copyright. Decompilation, which is understood here to be the reproduction of the code and translation of the forms of 10 11 [the] A computer program to achieve the inter-operability of an independently created computer program with other programs may also constitute fair use UNDER THE 12 CRITERIA ESTABLISHED BY THIS SECTION, TO THE EXTENT THAT 13 SUCH DECOMPILATION IS DONE FOR THE PURPOSE OF OBTAINING 14 THE INFORMATION NECESSARY TO ACHIEVE SUCH INTER-15 **OPERABILITY**. 16

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19 SEC. 13. Section 188.1 of R.A. No. 8293 is hereby amended to read as follows:

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"Sec. 188. *Reprographic Reproduction by Libraries.* - 188.1 Notwithstanding the
provisions of Subsection [177.6] 177.1, any library or archive whose activities are not
for profit may, without the authorization of the author [of] OR copyright owner, make
a [single copy] LIMITED NUMBER OF COPIES of the work, AS MAY BE
NECESSARY FOR SUCH INSTITUTIONS TO FULFILL THEIR MANDATE,
by reprographic reproduction:

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(c) Where the making of such [a copy] LIMITED COPIES is in order to preserve and, if
necessary in the event that it is lost, destroyed or rendered unusable, replace a copy,
or to replace, in the permanent collection of another similar library or archive, a copy
which has been lost, destroyed or rendered unusable and copies are not available with
the publisher."

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34 SEC. 14. Sections 190.1 and 190.2 of R.A. 8293 are deleted in their entirety.

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36 SEC. 15. Section 190.3 of R.A. No. 8293 is hereby renumbered and amended as the sole
 37 provision under Section 190 to read as follows:

1 "SEC. [190.3] 190. [Importation for Personal Purposes] IMPORTATION AND 2 **EXPORTATION OF INFRINGING MATERIALS** – Subject to the approval of 3 the Secretary of Finance, the Commissioner of Customs is hereby empowered to make rules and regulations for preventing the importation OR EXPORTATION of 4 5 articles the importation OR EXPORTATION of which is prohibited under this 6 [Section] ACT and under treaties and conventions to which the Philippines may be a 7 party and for seizing and condemning and disposing of the same in case they are 8 discovered after they have been imported OR BEFORE THEY ARE EXPORTED. 9 (Sec. 30, P.D. No. 49)"

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11 SEC. 16. Section 191 of R.A. No. 8293 is hereby amended to read as follows:

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13 "Sec. 191. [Registration and] DEPOSIT AND NOTICE OF DEPOSIT with THE National Library and the Supreme Court Library. - WITHIN THREE (3) WEEKS 14 15 [A] after the first public dissemination [of] OR performance by authority of the copyright owner of a work falling under Subsections [172.1, 172.2 and 172.3] 172.1 16 (A), 172.1 (B), 172.1 (C) AND 173.1 of this Act, there shall, for the purpose of 17 completing the records of the National Library and the Supreme Court Library, 18 19 [within three (3) weeks,] be registered and deposited with it by personal delivery or by registered mail, two (2) complete copies or reproductions of the work in such form 20 as the directors of said libraries may prescribe IN ACCORDANCE WITH 21 **REGULATIONS: PROVIDED, THAT ONLY WORKS IN THE FIELD OF** 22 LAW SHALL BE DEPOSITED WITH THE SUPREME COURT LIBRARY." 23

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25 SEC. 17. Section 198 of R.A. No. 8293 is hereby amended to read as follows:

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"Sec. 198. Term of Moral Rights. - 198.1. The right[s] of an author under [this 27 chapter] SECTION 193.1 shall last during the lifetime of the author and [for fifty 28 (50) years] IN PERPETUITY after his death [and shall not be assignable or subject 29 to license.] WHILE THE RIGHTS UNDER SECTIONS 193.2, 193.3 AND 193.4 30 SHALL BE COTERMINOUS WITH THE ECONOMIC RIGHTS, THE 31 MORAL RIGHTS SHALL NOT BE ASSIGNABLE OR SUBJECT TO 32 LICENSE. The person or persons to be charged with the posthumous enforcement of 33 these rights shall be named in [writing to] A WRITTEN INSTRUMENT WHICH 34 SHALL be filed with the National Library. In default of such person or persons, such 35 enforcement shall devolve upon either the author's heirs, and in default of the heirs, 36 the Director of the National Library." 37

1	SEC. 18. Section 208 of R.A. No. 8293 is hereby amended to read as follows:
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3	"Sec. 208. Scope of Right. x x x
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5	208.4 THE RIGHT TO AUTHORIZE THE MAKING AVAILABLE TO
6	THE PUBLIC OF THEIR SOUND RECORDINGS IN SUCH A WAY THAT
7	MEMBERS OF THE PUBLIC MAY ACCESS THE SOUND RECORDING
8	FROM A PLACE AND AT A TIME INDIVIDUALLY CHOSEN OR
9	SELECTED BY THEM, AS WELL AS OTHER TRANSMISSIONS OF A
10	SOUND RECORDING WITH LIKE EFFECT."
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12	SEC. 19. Section 212 of R.A. No. 8293 is hereby amended to read as follows:
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14	"Sec. 212. Limitations on Rights [Sections 203, 208 and 209 shall not apply where
15	the acts referred to in those Sections are related to:] THE PROVISIONS OF
16	CHAPTER VIII SHALL APPLY MUTATIS MUTANDIS TO THE RIGHTS OF
17	PERFORMERS, PRODUCERS OF SOUND RECORDINGS AND
18	BROADCASTING ORGANIZATIONS."
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21	SEC. 20. Section 216 of R.A. No. 8293 is hereby amended to read as follows:
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23	"Sec. 216. INFRINGEMENT. A PERSON INFRINGES A RIGHT
24	PROTECTED UNDER THIS ACT WHEN ONE:
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26	(A) DIRECTLY COMMITS AN INFRINGEMENT;
27	(B) BENEFITS FROM THE INFRINGING ACTIVITY OF ANOTHER
28	PERSON WHO COMMITS AN INFRINGEMENT IF THE PERSON
29	BENEFITING HAS BEEN GIVEN NOTICE OF THE INFRINGING
30	ACTIVITY AND HAS THE RIGHT AND ABILITY TO CONTROL
31	THE ACTIVITIES OF THE OTHER PERSON; OR
32	(C) PURPOSELY AND WITH THE INTENT TO ENABLE OR
33	INDUCE INFRINGEMENT BY ANOTHER PERSON, AND
34	MATERIALLY CONTRIBUTES TO IT.
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36	216.1 Remedies for Infringement Any person infringing a right protected under
37	this law shall be liable:
38	x x X

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(b) TO [P]pay to the copyright proprietor or his assigns or heirs such actual damages, including legal costs and other expenses, as he may have incurred due to the infringement as well as the profits the infringer may have made due to such infringement, and in proving profits the plaintiff shall be required to prove sales only and the defendant shall be required to prove every element of cost which he claims, or, in lieu of actual damages and profits, such damages which to the court shall appear to be just and shall not be regarded as penalty: *PROVIDED*, THAT THE AMOUNT OF DAMAGES TO BE AWARDED SHALL BE DOUBLED AGAINST ANY PERSON WHO:

- 12(i.)CIRCUMVENTSEFFECTIVETECHNOLOGICAL13MEASURES; OR
- HAVING REASONABLE GROUNDS TO KNOW THAT IT (ii.) 14 WILL INDUCE, ENABLE, FACILITATE OR CONCEAL THE 15 **INFRINGEMENT, REMOVE OR ALTER ANY ELECTRONIC** 16 RIGHTS MANAGEMENT INFORMATION FROM A COPY 17 OF A WORK, SOUND RECORDING, OR FIXATION OF A 18 OR DISTRIBUTE, **IMPORT** FOR PERFORMANCE, 19 DISTRIBUTION, BROADCAST, OR COMMUNICATE TO 20 THE PUBLIC WORKS OR COPIES OF WORKS WITHOUT 21 AUTHORITY, KNOWING THAT ELECTRONIC RIGHTS 22 MANAGEMENT INFORMATION HAS BEEN REMOVED OR 23 ALTERED WITHOUT AUTHORITY. 24
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THE COPYRIGHT OWNER MAY ELECT, AT ANY TIME BEFORE 27 FINAL JUDGMENT IS RENDERED, TO RECOVER INSTEAD OF 28ACTUAL DAMAGES AND PROFITS, AN AWARD OF STATUTORY 29 DAMAGES FOR ALL INFRINGEMENTS INVOLVED IN AN ACTION IN 30 A SUM EQUIVALENT TO THE FILING FEE OF THE INFRINGEMENT 31 ACTION BUT NOT LESS THAN FIFTY THOUSAND PESOS 32 (Php50,000.00). IN AWARDING STATUTORY DAMAGES, THE COURT 33 **MAY CONSIDER THE FOLLOWING FACTORS:** 34

- 36 (1) THE NATURE AND PURPOSE OF THE INFRINGING ACT;
- 37 (2) THE FLAGRANCY OF THE INFRINGEMENT;
- 38 (3) WHETHER THE DEFENDANT ACTED IN BAD FAITH;

- 1 (4) THE NEED FOR DETERRENCE;
- (5) ANY LOSS THAT THE PLAINTIFF HAS SUFFERED OR IS
 LIKELY TO SUFFER BY REASON OF THE INFRINGEMENT;
 AND,
 - (6) ANY BENEFIT SHOWN TO HAVE ACCRUED TO THE DEFENDANT BY REASON OF THE INFRINGEMENT.

IN CASE THE INFRINGER WAS NOT AWARE AND HAD NO REASON TO BELIEVE THAT HIS/HER ACTS CONSTITUTE AN INFRINGEMENT OF COPYRIGHT, THE COURT IN ITS DISCRETION MAY REDUCE THE AWARD OF STATUTORY DAMAGES TO A SUM OF NOT MORE THAN TEN THOUSAND PESOS (PhP 10,000.00): *PROVIDED*, THAT THE AMOUNT OF DAMAGES TO BE AWARDED SHALL BE DOUBLED AGAINST ANY PERSON WHO:

- 16 (i) CIRCUMVENTS EFFECTIVE TECHNOLOGICAL MEASURES;
 17 OR
- **(ii)** HAVING REASONABLE GROUNDS TO KNOW THAT IT WILL 18 INDUCE, ENABLE, FACILITATE OR CONCEAL THE 19 INFRINGEMENT, REMOVE OR ALTER ANY ELECTRONIC 20 RIGHTS MANAGEMENT INFORMATION FROM A COPY OF A 21 RECORDING, SOUND OR FIXATION OF A 22 WORK, OR DISTRIBUTE, IMPORT FOR PERFORMANCE, 23 DISTRIBUTION, BROADCAST, OR COMMUNICATE TO THE 24 PUBLIC WORKS OR COPIES OF WORKS WITHOUT 25 **KNOWING** THAT ELECTRONIC RIGHTS AUTHORITY. 26 MANAGEMENT INFORMATION HAS BEEN REMOVED OR 27 ALTERED WITHOUT AUTHORITY. 28
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216.2 In an infringement action, the court shall also have the power to order the seizure and impounding of any article which may serve as evidence in the court proceedings [.], IN ACCORDANCE WITH THE RULES ON SEARCH AND SEIZURE INVOLVING VIOLATIONS OF INTELLECTUAL PROPERTY RIGHTS ISSUED BY THE SUPREME COURT. (Sec. 28, P.D. No. 49a)

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- THE FOREGOING SHALL NOT PRECLUDE AN INDEPENDENT SUIT FOR RELIEF BY THE INJURED PARTY BY WAY OF DAMAGES, INJUNCTION, ACCOUNTS OR OTHERWISE."
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SEC. 21. Section 217.2 of R.A. No. 8293 is hereby amended as follows:

"217.2. In determining the number of years of imprisonment and the amount of fine,
the court shall consider the value of the infringing materials that the defendant has
produced or manufactured and the damage that the copyright owner has suffered by
reason of the infringement[.]: *PROVIDED*, THAT THE RESPECTIVE
MAXIMUM PENALTY STATED IN SEC. 217. 1 (A), (B) AND (C) HEREIN
FOR THE FIRST, SECOND, THIRD AND SUBSEQUENT OFFENSE, SHALL
BE IMPOSED WHEN THE INFRINGEMENT IS COMMITTED BY:

14 (i) THE CIRCUMVENTION OF EFFECTIVE TECHNOLOGICAL
15 MEASURES; OR

16 (ii) THE REMOVAL OR ALTERATION OF ANY ELECTRONIC
17 RIGHTS MANAGEMENT INFORMATION FROM A COPY OF A WORK,
18 SOUND RECORDING, OR FIXATION OF A PERFORMANCE, BY A
19 PERSON, KNOWINGLY AND WITHOUT AUTHORITY; OR

(iii) THE DISTRIBUTION, IMPORTATION FOR DISTRIBUTION,
 BROADCAST, OR COMMUNICATION TO THE PUBLIC OF WORKS OR
 COPIES OF WORKS, BY A PERSON WITHOUT AUTHORITY, KNOWING
 THAT ELECTRONIC RIGHTS MANAGEMENT INFORMATION HAS
 BEEN REMOVED OR ALTERED WITHOUT AUTHORITY."

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26 SEC. 22. Section 218.1 of R.A. No. 8293 is hereby amended to read as follows:

28 "Sec. 218. Affidavit Evidence – x x x

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30 (c) The copy of the work or other subject matter annexed thereto is a true copy
31 thereof [,].

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THE AFFIDAVIT shall be admitted in evidence in any proceedings [for an offense] under this Chapter and shall be *prima facie* proof of the matters therein stated until the contrary is proved, and the court before which such affidavit is produced shall assume that the affidavit was made by or on behalf of the owner of the copyright."

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38 SEC. 23. A new Section 220A shall be inserted after Section 220.2 of R.A. No. 8293 to

1 read as follows:

"SEC. 220A. DISCLOSURE OF INFORMATION. ~ WHERE ANY ARTICLE 3 OR ITS PACKAGING OR AN IMPLEMENT FOR MAKING IT IS SEIZED 4 **OR DETAINED UNDER A VALID SEARCH AND SEIZURE UNDER THIS** 5 ACT IS, OR IS REASONABLY SUSPECTED TO BE, BY AN AUTHORIZED 6 ENFORCEMENT OFFICER, IN VIOLATION OF THIS ACT, THE SAID 7 **OFFICER SHALL, WHEREVER REASONABLY PRACTICABLE, NOTIFY** 8 9 THE OWNER OF THE COPYRIGHT IN QUESTION OR HIS AUTHORIZED AGENT OF THE SEIZURE OR DETENTION. AS THE CASE MAY BE." 10

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SEC. 24. Chapter XVIII of R.A. No. 8293 is hereby amended by adding a new Section at the end thereof to be denominated as Section 224A, to read as follows:

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"SEC. 224A. PROTECTION OF EXISTING SUBJECT MATTER. - THE 15 PROTECTION PROVIDED UNDER PART IV OF THIS ACT SHALL ALSO 16 APPLY TO WORKS, SOUND RECORDINGS AND PERFORMANCES 17 FIXED IN SOUND RECORDINGS AND BROADCASTING IN EXISTENCE 18 UPON THE EFFECTIVITY OF THIS ACT, AND WHICH ARE THE 19 SUBJECT OF INTERNATIONAL CONVENTIONS, TREATIES OR 20 AGREEMENTS TO WHICH THE PHILIPPINES IS A PARTY, PROVIDED 21 THAT ON SUCH DATE THE WORK, SOUND RECORDING, OR 22 PERFORMANCE FIXED IN A SOUND RECORDING HAS NOT YET 23 FALLEN INTO THE PUBLIC DOMAIN IN ITS COUNTRY OF ORIGIN OR 24 IN THE PHILIPPINES THROUGH THE EXPIRY OF THE TERM OF 25 **PROTECTION WHICH WAS PREVIOUSLY GRANTED."** 26

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SEC. 25. Chapter XX of R.A. No. 8293 is hereby amended by adding a new Section at the end thereof to be denominated as Section 230, to read as follows:

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"SEC. 230. ADOPTION OF INTELLECTUAL PROPERTY (IP) POLICIES. -31 UNIVERSITIES SHALL ADOPT INTELLECTUAL SCHOOLS AND 32 PROPERTY POLICIES THAT WOULD GOVERN THE USE AND 33 CREATION OF INTELLECTUAL PROPERTY WITH THE PURPOSE OF 34 SAFEGUARDING THE INTELLECTUAL CREATIONS OF THE LEARNING 35 INSTITUTION AND ITS EMPLOYEES, AND ADOPTING LOCALLY-36 ESTABLISHED INDUSTRY PRACTICE FAIR USE GUIDELINES. THESE 37 POLICIES MAY BE DEVELOPED IN RELATION TO LICENSING 38

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AGREEMENTS ENTERED INTO BY THE LEARNING INSTITUTION WITH A COLLECTIVE LICENSING ORGANIZATION."

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SEC. 26. Section 230 of R.A. No. 8293 is hereby renumbered as Section 231, and all
succeeding sections of the same Act are hereby renumbered accordingly.

SEC. 27. Implementing Rules and Regulations. - Within one hundred eighty (180) days from the effectivity of this Act, the Intellectual Property Office, in consultation with the National Book Development Board, the National Library, the Supreme Court Library and other relevant agencies, shall promulgate the rules and regulations necessary to effectively implement the provisions of this Act.

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13 SEC. 28. *Repealing Clause.* – All laws, decrees, executive orders, issuances or 14 regulations inconsistent with the provisions of this Act are hereby revised or amended 15 accordingly.

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SEC. 29. Separability Clause. - If any part of this law is declared unconstitutional or
 invalid, such parts or provisions thereof not so declared shall remain valid and subsisting.

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SEC. 30. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its
 publication in at least two (2) newspapers of general circulation.