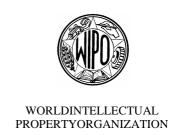
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ORIGINAL:English DATE:May2001





INTERNATIONALCONFER ENCEON INTELLECTUALPROPERT Y,THEINTERNET, ELECTRONICCOMMERCE ANDTRADITIONALKNOW LEDGE

organized undertheauspicesof
HisExcellencyMr.PetarStoyanov,PresidentoftheRepublicofBulgaria

by the World Intellectual Property Organization (WIPO)

incooperationwith the National Intellectual Property Association of Bulgaria

BoyanaGovernentResidence Sofia,May29to31,2001

INTELLECTUALPROPERT Y,THEINTERNETAND ELECTRONICCOMMERCE
INTELLECTUALPROPERTY,DOMAINNAMESANDE -COMMERCE
ALATINAMERICANCHALLENGE -THEBRAZILIANFOCUS

DocumentpreparedbyMrs.VandaScartezini,NationalSec retaryforInformation TechnologyPolicy,MinistryofScienceandTechnology,Brasilia

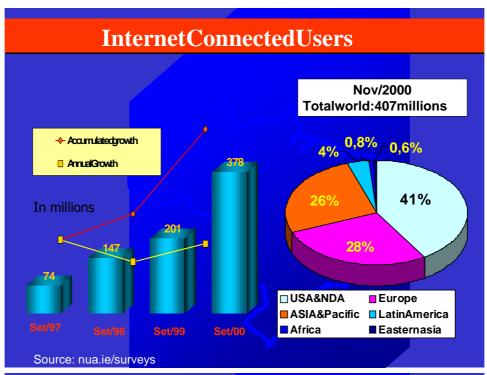
Intellectual Property, Domain Names & the e-Commerce Latin American Challenge Brazilian Focus

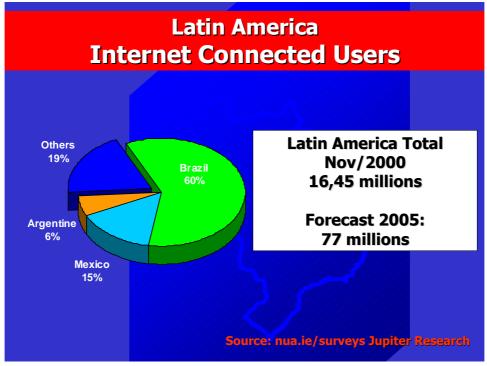
Vanda Scartezini – Secretary for Information Technology Policy – Brazil

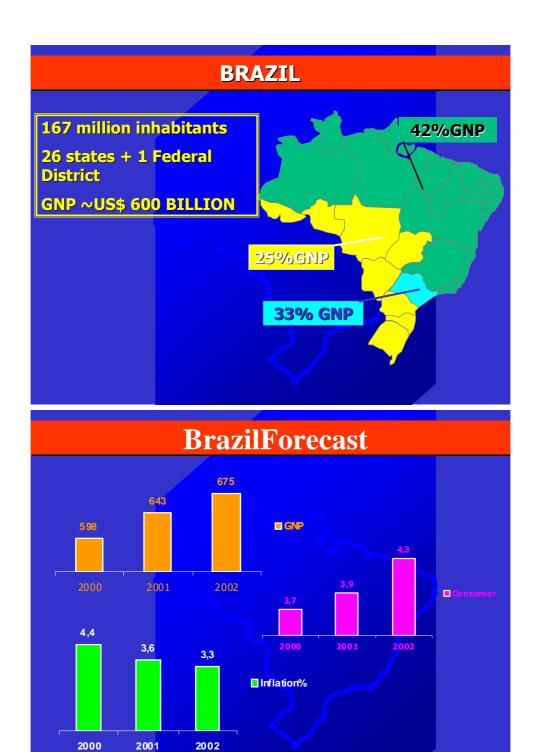
vanda@mct.gov.br

What are the main challenges?

- Building an attractive environment for investors
- Reduce unnecessary conflicts
- Enlarge the international trade participation
- Use the information technologies to reduce the social and economic gap



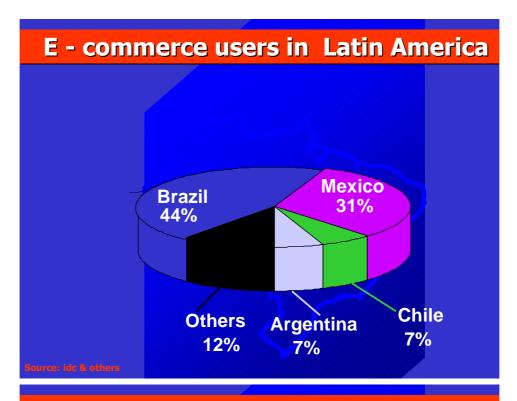




Internet in Brazil - Chronology

- First network connection (Bitnet) out/88
- Domain names Register in Brazil : Domínio .BR registered in19/04/89
- Internet First connection jan/91
- Brazilian DNS previous definition mai/91
- Commercial operation started: jan/95
- Brazilian Internet Committee settled: mai/95
- Registry Automation: out/97
- There are now 5 "name servers" for .br: 3 in Brazil, 1 in USA and & 1 in France

Market Forecast Brazilian E-Commerce US\$ billions 3,0 **Business to Business** US\$ 2.7 bilions 2,5 **Business to Consumer** 2,0 **Business to Business** US\$ 1.9 Billions 1,5 1,0 **US\$ 90 Millions** 0,5 **Business to Consumer** US\$ 760 Millions 0,0 2000 2001 2003 1998 Jun 00 Source:IDC+ Gartnergroup+others



New reality - change of concepts

- ✓ Value of goods:
 - Tangible <<<< no Tangible
 - The market share >>>> important than the assets
- ✓ <u>Distance</u>: looks closest than ever
- √ <u>Time</u>: a fast feedback is always expected
- ✓ People:
 - Ideas getting better value
 - Impulsive shopping the driving sales force
- ✓ <u>Efficiency</u> changes on intermediation
 - traditional to information one
- ✓ Market:
 - Buyers with more power than sellers
 - Converging processes marketing+sales+ delivery

Legal Consequences

- Electronic alternative:
 - No paper document
 - Security
 - Authenticity
 - Guarantee on Court
- Business environment:
 - New contracts
 - Security on payment unknowing taxes
 - Transference of technology
 - Delivery issues
- Existing Laws
 - How keep them valued
 - Intellectual Property Rights control
 - Justice process too slow must building an alternative
- Anonymousness
 - must be building on real world but
 - it is a given state under virtual one.

Which are Intellectual Property main problems under virtual world?

- Trade marks false use
 - Get registered to sell
 - Make fake links ...
- Copyrights
 - Non payment on download (music, movies, software..)
- Patent appropriation & Transference of Technology
 - Easy selling to another without owner knowledge
- Justice lead time

WIPO/ECTK/SOF/01/1.2 page 8

How we are dealing with those two worlds?

On Trade Marks: following better practices

- Uniform and clear process concerning to domain names & intellectual property rights
 - Famous brands are protected
 - International
 - Local
- Using the WIPO controversial arbitrage solution
- Being careful introducing new gTLDs
 - Confusion can promote a lack of confidence on Internet users

How we are dealing.....

- Contract between user and Register
 - Including complete information about the user
 - Incorrect information cancel the contract
- Automated control to get new name
 - Cross checking connectivity
 - e mail confirming user
- "Who is" users information available on line
- Restrictive access to contracts information
- Limited registries
- Annual payment for maintenance

Internet Brazilian Register

Domínio .br TLDs

a) To entities, companies

AM	FM FM	TV	
ART	COM	ESP	ETC
G12	GOV	IND	INF
MIL	NET	ORG	PSI
REC	TMP	TUR	

specific rules for each & 10 registries for each company/ entity
b) To professions

ADM	ADV	ARQ	BIO
CNT	ECN	ENG	ETI
FOT	FST	JOR ///	LEL
MED	NTR	ODO ()	PPG
PRO	PSC	SLG &others	

limit 1 registries for each person c) Individuals

NOM <u>limit one per identity</u>

How we are dealing.....

- Related to copyrights, patent, crimes
 - On software we have some succesfull diligences
- We are now dealing with lots of bills in the Congress
- We already have a strong police group to deal with unauthorized invasion, crimes related to children pornography ...

Still have those questions:

- How to control downloads around the world?
- How will it cost?
- Who is gona pay whom when we are talking downloads?

WIPO/ECTK/SOF/01/1.2 page 10

Internet Bills

- PL 3692/97 Representative Vicente André Gomes
 - related to publishing Internet list of e mails
- PL 0151/2000 Senator Luiz Estevão
 - related to mandatory registry for access transactions
- PL 2300/2000 Representative Clementino Coelho
 - related to trade mark & domain names
- PL 2358/2000 Representative Nelson Proença
 - regulates electoral advertising on Internet
- PL 3016/2000 Representative Antônio Carlos Panunzio
 - related to mandatory registry for access transactions
- PL 3303/2000 Representative Antônio Feijão
 - Set rules for Internet operation in Brazil
- PL 3356/2000 Representative Osmânio Pereira
 - regulate services offered by Internet
- PL 3360/2000 Representative Nelson Proença
 - regulate relations among users , providers & portals

Crimes on the Network

- PL 0152/91 Senator Maurício Corrêa
 - Define crime related to data inviolability
- PL 1713/96 Representative Cássio Cunha Lima
 - related to responsibility on Internet crimes
- PL 1806/99 Representative Freire Júnior
 - Includes under the common law all crimes related to thef and unauthorized use communication and computers system
- PL 1809/99 Representative Bispo Rodrigues
 - related to security on banking transactions
- PL 0268/99 Senator Lúcio Alcântara
 - related to structure and use of data base & discipline the habeas data
- PL 0076/2000 Senator Renan Calheiros
 - define e identify informatics crimes