

**Letterhead of Federation of Hong Kong Industries**

**CB(1) 714/01-02(01)**

31 December 2001

Ms Connie Szeto  
Clerk to the Commerce and Industry Panel  
Legislative Council  
Legislative Council Building  
8 Jackson Road  
Central  
Hong Kong

Dear Ms Szeto,

**Consultation Document on the Review of  
Certain Provisions of Copyright Ordinance**

Thank you for your letter of 23 November 2001 inviting our views on the above consultation document.

Before giving our specific comments, we would like to highlight three important principles that we believe the Government should uphold in the present review:

- (1) in order to further Hong Kong's position as an international business centre and promote our innovation and technology development, the Government should maintain a strong legislative regime to protect against copyright infringement;
- (2) any laws that purport to strengthen Hong Kong's copyright system should strike a careful balance between the protection of intellectual property and the free flow of information in business and other sectors; and
- (3) the requirements of such laws should be practical in actual implementation, without impeding the normal operation of businesses.

In light of these principles, we consider it acceptable for the Government to make non-personal use of pirated computer software, movies, television dramas and musical recordings a criminal offence. However, we do not support extending criminal liability to infringement of other forms of copyright products, particularly where the purpose is not financial gain. Examples include photocopying a newspaper/magazine article, recording a television news report or printing a picture downloaded from a website.

In most cases, these activities are carried out by companies, academic institutions and other establishments to speed up the flow of information inside organisations, where the materials are used primarily for internal discussion and reference purposes. Obviously, such acts are not profit motivated and would not cause any collateral damage to the interests of the copyright owner. Hence, we suggest that amendments be introduced to exempt these activities from both criminal and civil liability.

Regarding the parallel importation of computer software, we agree that the existing 18-month ban should be removed. We are hopeful that lifting the ban would increase market competition and help lower the price of software products in Hong Kong.

Last but not least, the Federation believes that the present consultation provides a good opportunity for the Government to hear the views of the public on copyright issues. We hope the Legislative Council will taken our views into account when studying the Government's proposals.

Yours sincerely,

Victor Lo  
Chairman