



Intellectual Property

in the Digital Economy

BY P. KANDIAH



Storing, transmission and retrieval of information of digitised data

- real time
- instantaneous 24/7
- almost at no cost
- easy access to anyone with internet access





Music, movies protected by copyright



Copyright holder had rights

- to reproduce works

- to distribute works

- to broadcast works

economic rights





Now copyrighted works can be reproduced, distributed, broadcasted over the internet without consent of owner



Financial loss to owner





Some statistics to share:

\$ 12.5
billion

in economic losses each year due to Piracy in the music industry

71,060
jobs

lost in the United States every year due to Online Piracy

\$ 2.7
billion

in workers' earnings are lost each year due to Online Piracy

42
percent

of Softwares running in World are illegally downloaded

\$ 59
billion

of Softwares were illegally downloaded in 2010



More than **75%** of computers have at least **1** downloaded illegal application



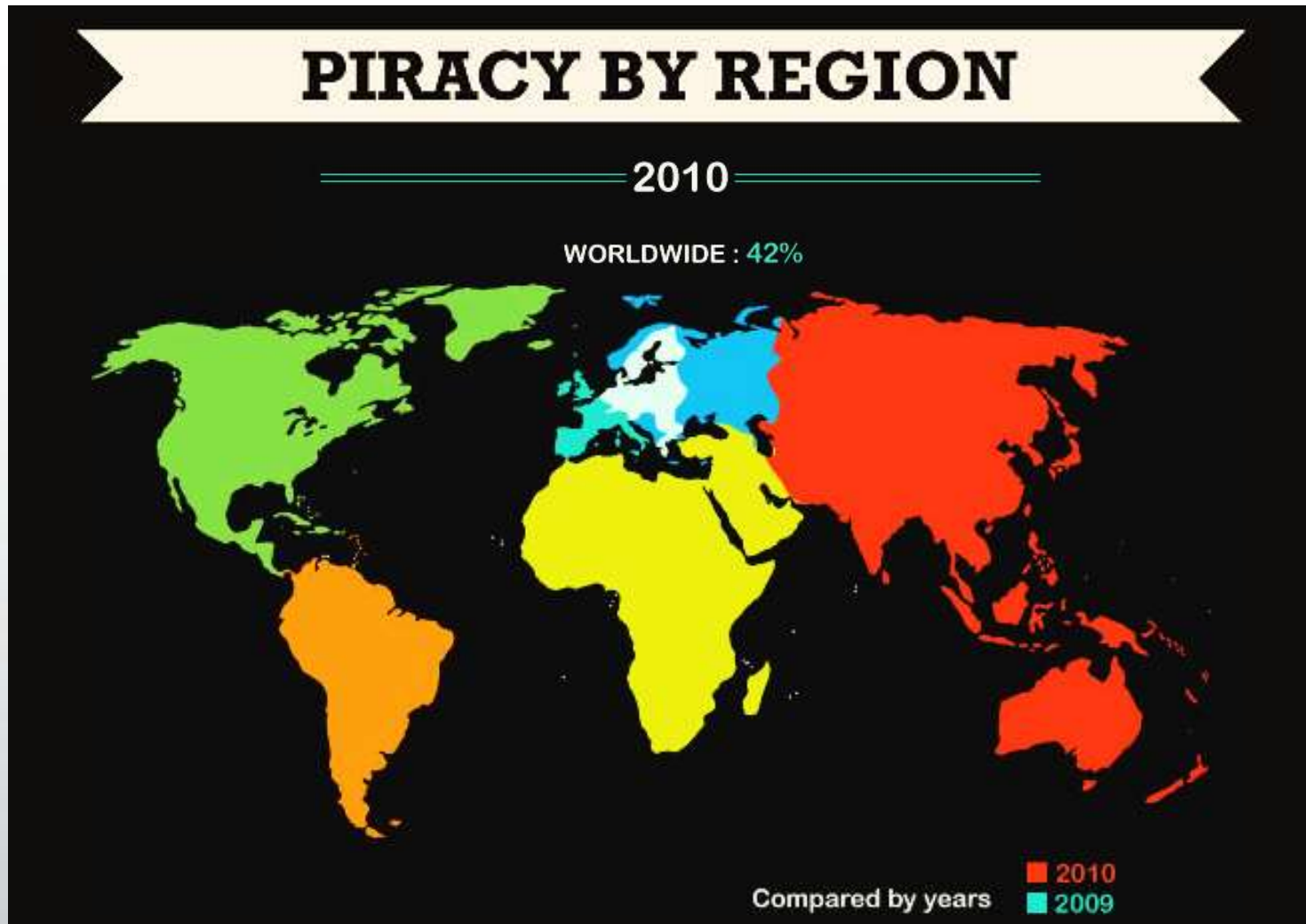
An average iPod contains pirated music of **\$800**

95
percent

of music downloaded online is illegal



Some statistics to share:





Some statistics to share:



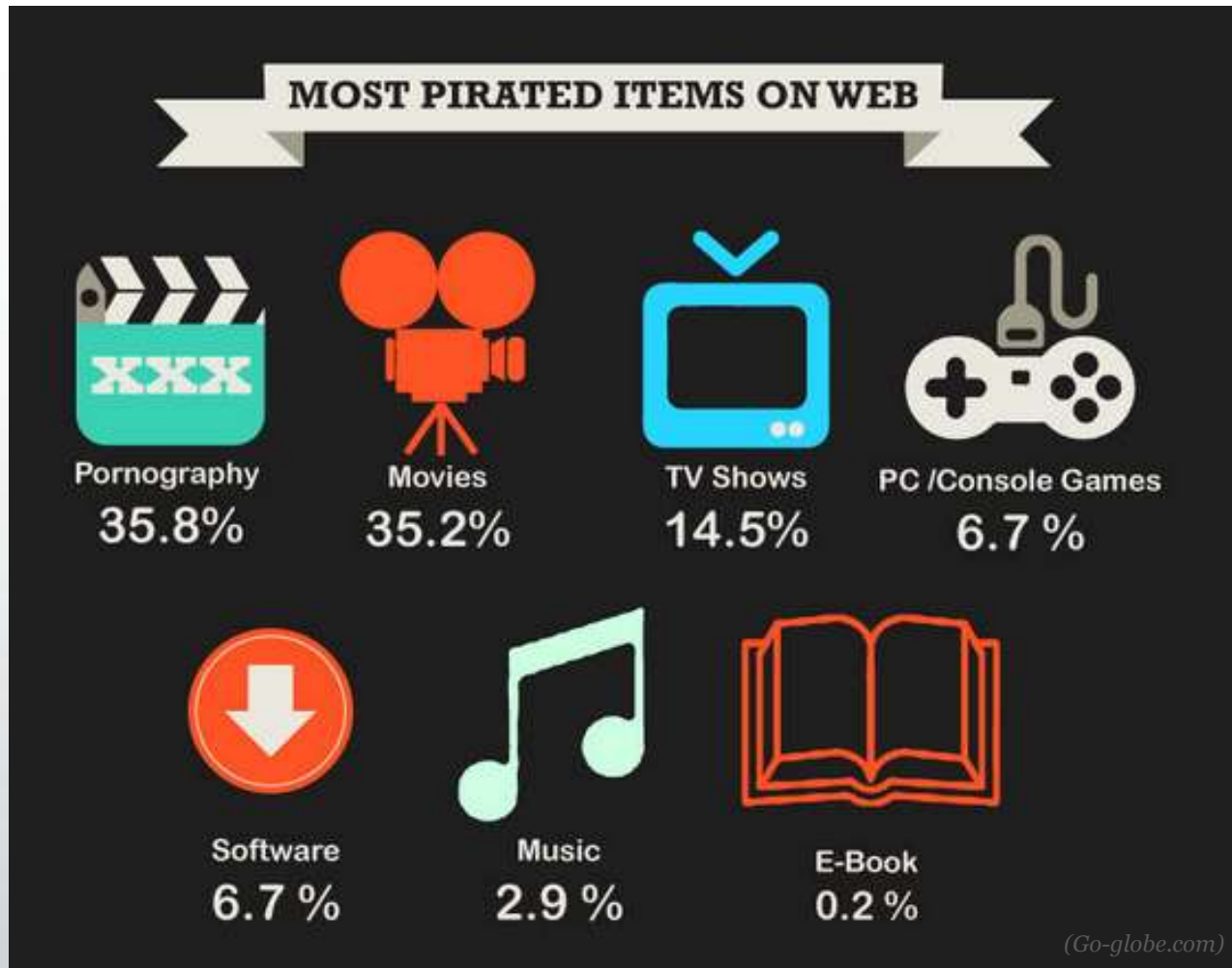


Some statistics to share:





Some statistics to share:





Source Links

<http://torrentfreak.com/piracy-socially-acceptable-110228/>

<http://www.podcastingnews.com/content/2008/06/average-teens-ipod-has-800-of-pirated-music/>

<http://www.yalelawtech.org/p2p-law-piracy/envisional-estimates-infringing-use/>

<http://www.riaa.com/faq.php>

http://portal.bsa.org/globalpiracy2010/downloads/study_pdf/2010_BSA_Piracy_Study-Standard.pdf



New business models in the sale of music, movies and books required





New ways of circumventing piracy through digital means are required





Process of R&D, manufacturing and marketing can now be dissected and be carried out in different parts of the world

- Cost effective

- More value for money spent



Examples:

- **Freelancer.com**, world's largest outsourcing place-the internet!
- **Fiverr.com**, a place for people to share things they're willing to do for \$5





Development of back office processing centres in low cost countries

- **But risk of shipping R&D across to a different country?**
- **Protection of confidential information in the hands of 3rd parties becomes crucial**
- **If work is commissioned, must have agreements in place to transfer the IP rights**



Developing countries now have easy access

- **To technology as disclosed in patent documents and design drawings**
- **Patent databases: available on the internet – easily accessible to anyone, almost at no cost**
- **Patent (technology) – easily accessible, searchable, downloadable**





Any
Questions?

Thank You



P. Kandiah

Tel: +603 2284 7872

Fax: +603 2284 1125

E-mail: ipr@kass.com.my