

# 17th Business Liaison Group Meeting for Hotels

**Guy Fong**  
**Superintendent**  
**Customs and Excise Department**



# Legislation

## Copyright Ordinance, Cap. 528

### Copyright works:-

- ◆ original literary, dramatic, musical or artistic works
- ◆ sound recordings, films, broadcasts or cable programmes
- ◆ the typographical arrangement of published editions

# Offences and Maximum Penalties

- ◆ Make, sell, possess or import/ export an infringing copy of a copyright work for commercial purposes:
  - ✦ imprisonment for **4 years** and fine of **HK\$50,000 per infringing copy**
- ◆ Make, sell, possess or import/ export an article specifically designed or adapted for making infringing copies of a particular copyright work for commercial purposes:
  - ✦ imprisonment for **8 years** and fine of **HK\$500,000**

# End-user's Liability

- ◆ Use of a pirated copyright work in the course of business
  - ✦ Computer software
  - ✦ Movies
  - ✦ TV dramas
  - ✦ Musical sound/visual recordings
  - ✦ Maximum penalty: imprisonment for 4 years and fine of HK\$50,000 per infringing copy
  
- ◆ Examples
  - ✦ Companies using unlicensed software
  - ✦ Karaoke bars using infringing music / videos

# Enforcement

## Recent enforcement action

- ◆ In mid Dec 2013, Customs took enforcement action to search a technology company and 5 other pubs at different locations
- ◆ 49 sets of karaoke system loaded with infringing songs and movies were seized
- ◆ 6 men and 3 women were arrested
- ◆ Investigation is still ongoing

# FAQ

- 1) How can the trade tell whether the songs in the karaoke system are with copyrights or not?
  - ✓ Copyright is an automatic right. It subsists when a works is created and recorded.
  - ✓ All the musical sound/ visual recordings are with copyright.



2) What should the trade be aware of if they are going to buy karaoke systems?

- ✓ To fulfill the licensing requirements or conditions of the copyright owners concerned.
- ✓ Due diligence to ensure the songs are licensed by the copyright owners.
- ✓ Do not simply count on the suppliers/ agents, cross check with other sources.

**3) Is it legal for the trade to use songs downloaded from the internet?**

- ✓ **Obtain songs from proper channels.**
- ✓ **Using infringing songs downloaded from internet for business commits an offence.**



4) Is it legal for the trade to transfer songs from a genuine music CD to an iPod on a PA system so as to be played as background music at the club?

✓ Un-authorized transfer : infringing copy

✓ Using infringing copyright work in the course of business is offence



# Q & A's

# Thank you

[Guy\\_wk\\_fong@customs.gov.hk](mailto:Guy_wk_fong@customs.gov.hk)

