

# INTERNATIONAL INTELLECTUAL PROPERTY ALLIANCE 2004 SPECIAL 301 REPORT

## SPECIAL MENTION

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### GEORGIA

In a February 2002 review, the U.S. Trade Representative noted that, even after Georgian accession to the WTO (in 2000), “the U.S. government is concerned with key gaps in the legal regime...” and noted in particular “the lack of *ex officio* authority (the authority to undertake action without a rightholder’s complaint) for customs and criminal authorities, as well as the lack of civil *ex parte* search and seizure procedures conducted without notice to the alleged infringers.” Under Georgian law, customs officials are authorized to seize suspected IP materials and hold them until a court renders a decision; however, one provision that significantly weakens the effectiveness of these provisions requires that an application be submitted by the rightholder before such action can commence. Now more than two years after the report by the U.S. government, Georgia has still not corrected these deficiencies and thus has not improved its enforcement regime. As for enforcement, the copyright industries could not find a single case in Georgia in 2003 in which criminal penalties were levied.

According to the recording industry (the International Federation of the Phonographic Industry, IFPI), the level of music piracy in Georgia is estimated at about 80%, with trade losses estimated at \$8 million. It is also estimated by the recording industry that in total, 4.9 million cassettes and 1.2 million CDs were sold in Georgia in 2003 and that, of these, 3.9 million cassettes and 1.1 million CDs were pirated copies. The industry also reported 10 raids and the seizure of US\$49,200 worth of pirate material (4700 CDs and 1550 cassettes) in 2003 by local enforcement agencies.