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May 22, 2003

VIA FACSIMILE and U.S. MAIL

Honorable Robert B. Zoellick  
U.S. Trade Representative  
600 17<sup>th</sup> Street, NW  
Washington, DC 20508

Re: Thailand GSP IPR Petition for Review  
Case: 020-CP-02

Dear Ambassador Zoellick:

On June 13, 2001, six trade associations (AAP, AFMA, IDSA, MPAA, NMPA and RIAA) requested the initiation of a review of Thailand's intellectual property rights practices under the GSP trade preference program. Since that time, the export and domestic production of pirate optical media products of all kinds has increased significantly, and there are other serious piracy problems (such as book piracy and illegal commercial photocopying). Under the existing GSP criteria, IIPA believes that acceptance of this petition is fully justified at this time.

However, given the Prime Minister of Thailand's announcement in March committing to a three-month crackdown on optical disc pirates, and some recent enforcement actions pursuant to that new crackdown, the association petitioners are willing to withdraw their petition effective immediately.

Nevertheless, we continue to be gravely concerned about whether this promised progress will continue. Accordingly, we urge the U.S. government to complete immediately its "specific recommendations" (referred to in USTR's 2003 Special 301 Report of May 1, 2003) on "judicial, legislative/regulatory, and enforcement issues, including as key among these, swift enactment of a strong optical media bill in the near term, which will help ensure the effectiveness of Thailand's stepped-up enforcement efforts concerning piracy." On our side, this withdrawal action will end up being only temporary unless Thailand takes certain actions no later than July 15, when we understand that country eligibility petitions may be due for the 2003 GSP cycle. If the Thai government fails to take these actions by this date, we intend then to re-file a new petition and to seek its timely acceptance on the grounds of Thailand's failure, once again, to meet the eligibility criteria regarding the protection of intellectual property as specified in 19 U.S.C. §2462(c)(5).

Therefore, we will re-file a GSP petition on July 15 unless the Thai government takes the following actions, which we urge the U.S. government to press Thailand to accomplish by this date:

1. Introduce an effective Optical Disc Manufacturing Control Act into the Thai Parliament.
2. Aggressively implement the recently announced anti-piracy campaign against OD factories, and against wholesale and retail sales of OD product and take actions against book pirates

and commercial photocopy operations. These actions must include the frequent and thorough inspections of optical media producers without notice, including at night. By the above date, the associations expect to see violators' products and equipment seized, arrests of suspected owners and managers made and criminal prosecutions well in progress, including against the non-OD-related offenses noted.

3. Commence credible action to make the "special investigative division" fully functional and adequately funded, with full investigative police powers; maintain the 12 special task forces established in 2001 for IPR enforcement.
4. Commit to amend related laws, particularly the copyright law to implement the WIPO Treaties.
5. Commit to take the necessary actions in the near term to punish optical disc piracy as an organized crime offence.

The State Department and the U.S. Embassy have indicated that it will aggressively press Thailand to accomplish the objectives of its "specific recommendations" which we understand will contain the points made above. We also understand that the timetable for the U.S. governments "specific recommendations" will extend beyond July 15. The objective of the association petitioners is to obtain Thailand's actions and commitments listed above with the accomplishments of all the "specific recommendations" of the U.S. government as a condition to Thailand continuing to remain a GSP beneficiary country under the GSP program.

Sincerely,



Eric H. Smith  
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Counsel to Petitioners

AFMA  
Association of American Publishers  
Interactive Digital Software Association  
Motion Picture Association of America  
Recording Industry Association of America

cc: Honorable Alan Larson  
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