# HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS

### INQUIRY INTO THE ENFORCEMENT OF COPYRIGHT

SUBMISSION BY

AUSTRALIAN CUSTOMS SERVICE

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#### 1. INTRODUCTION

- 1.1 The Australian Customs Service is pleased to have the opportunity to contribute to the Committee's inquiry into the enforcement of copyright.
- 1.2 This submission will focus principally on the terms of reference which are specifically directed at the role and responsibilities of Customs. It will explain in detail the extent of Customs powers to take action and will describe the magnitude and complexity of the enforcement task from a Customs perspective. It will also provide any information that Customs can contribute on the other terms of reference.
- 1.3 The submission will highlight several problems which Customs believe make protection of copyright more difficult, costly and less effective. These problems include:
  - the lack of a appropriate cost effective mechanism for dealing with small and medium size consignments of infringing goods;
  - the lack of independent experts to provide advice on whether specific consignments of goods infringe copyright;
  - the overlap between the protection of intellectual property rights and consumer protection leading to the expectation by copyright owners that Customs will automatically utilize provisions relating to false trade description if the owners choose not to proceed with civil action in the courts.
  - Costs/delays of litigation
- 1.4 The administration of border controls relating to copyright and other intellectual property rights is clearly a very important task for Customs. It must be recognised, that Customs has a number of high priority border enforcement tasks. These relate to narcotics; firearms and dangerous goods; other prohibited and restricted goods such as objectionable material, performance enhancing drugs; quarantine and revenue matters. Resources must always be balanced against competing priorities. The submission will explain the strategy which has been adopted to achieve satisfactory results.
- 1.5 Within Customs, copyright is perceived as one of several pieces of intellectual property legislation for which the agency has border responsibilities. Copyright is normally associated with copies of goods which have a significant level of creative or artistic input such as sound recordings, films, computer software and designer label apparel.
- 1.6 In relation to copyright Customs has no ex officio powers and may only take action to detain goods after the right owner or an exclusive licensee has lodged a notice objecting to the importation of infringing copies. Customs action generally involves the detention of imported counterfeit or pirated copies. It is regarded as being different from normal Customs commercial enforcement activity which incorporate investigation and prosecution stages. In copyright

Customs is really only holding the goods while the importer and the objector resolve the issue.

- 1.7 The lack of a registration system under the copyright scheme may introduce a degree of uncertainty in determining the ownership of copyright. However, Customs role is not to determine the issue of copyright, but to respond to a bona fide objection made in pursuance of the legislation. Clearly, a given importation may also involve a claim of an infringement of trade mark and this could give rise to an action to seize goods on that basis under the Trade Marks Act. The basis of a seizure will depend upon which piece of legislation the objector proceeds under because Customs powers are dependent on the existence of an objection made in accordance with legislation.
- 1.8 Some parties may consider that Customs ought to proceed under the Commerce (Trade Descriptions) Act in this area, but it is considered that unless there is clear evidence of a breach of the legislation than to commerce (Trade Description) Act is not an appropriate means of pursuing intellectual property rights.
- 1.9 There is variation in industry practice in relation to enforcing copyright which could lead to a perception that industry is not really interested in protecting copyright either because relatively few notices of objection have been lodged or objectors often elect not to proceed with court action when infringing goods are found. Further there is some concern that some objectors misuse the provisions simply to cause delays to imported cargo. There is also strong concern that industry has unjustifiably high expectations about the actions that Customs should take once a notice of objection has been lodged. This is compounded by an apparent belief that the border provisions of the Copyright Act are effectively a prohibition control.
- 1.10 The submission will address TOR 1(g)(3) and 1(f) first as this will provide the context for the responses to the other terms of reference.

#### TERM OF REFERENCE 1(g)(3)

### 2. 1(g)(3) – Role and function of the Australian Customs Service at the border in detecting and policing copyright infringement

2.1 Customs role in enforcing copyright is the same as it is for enforcing intellectual property rights under the *Trade Marks Act 1995* or the *Sydney 2000 Games (Indicia and Images) Protection Act 1996.* It is limited to goods which are imported for the purpose of trade which are still subject to the control of the Customs and which are covered by a Notice of Objection. Customs power is restricted to seizing goods considered to infringe and holding them for a prescribed period during which the objector must commence action in the court.

#### Legislative Scheme

- 2.2 Prior to the amendments to the *Copyright Act 1968* in July 1995 to implement Australia's response to the obligations relating to copyright contained in the Uruguay Round "Agreement on Trade Related Aspects of Intellectual Property" (TRIPs), Customs role applied only to the printed copy of a published literary, dramatic or musical work. The scheme allowed the copyright owner to give a notice in writing to the Comptroller General of Customs objecting to the importation into Australia of copies of the work.
- 2.3 Records indicate that Customs never received a Notice of Objection under this scheme. It has been alleged that certain industries used the threat of potential Customs action to apply pressure to companies so that they would not import certain goods.
- 2.4 Following the amendments to the Act, Customs played a more significant role in the enforcement of copyright by virtue of a greatly expanded range of imported goods being made subject to the provisions. Copyright material now covered includes packaging and labelling, musical scores, artistic prints and books, paintings and photographs, cartoons, pre-recorded video tapes and sound recordings, computer software, company logos and trade marks.
- 2.5 Division 7 of Part 5 of the current Act provides that the copyright owner, which includes an exclusive licensee, may give a notice in writing to the CEO of Customs objecting to the importation into Australia of alleged infringing copies. The objector is only required to claim entitlement to copyright but the claim may have to be substantiated and verified in any subsequent court proceedings. The Notice of Objection is valid for either a 2 year period, or for the period of copyright, whichever expires earlier. It must be accompanied by a security of \$5000 to cover any expenses incurred by Customs in enforcing the notice. The security is normally provided in the form of a bank guarantee.
- 2.6 Once a Notice of Objection has been lodged, Customs may seize any infringing goods detected. Customs relies on information or intelligence provided by the objector or obtained during other examinations to target consignments for examination for intellectual property infringement. As soon as practicable after seizure, Customs must give a copy of the seizure notice to both the importer and the objector, identifying the goods and stating that the goods have been seized.
- 2.7 The objector then has a period of 10 working days in which to commence action against the importer in the courts and to advise Customs in writing of doing so. The period may be extended for up to a further 10 working days at the request of the objector, if CEO of Customs considers that such a request is reasonable.
- 2.8 Prior to any action being instituted by an objector, the importer may consent to the forfeiture of the seized copies by giving a written notice to Customs.
- 2.9 Goods seized under the Copyright Act must be released to the importer unless the objector institutes action for infringement of copyright within the 10 day period. Further, even if action has been instituted by the objector, the goods

must be released to the importer if, at the end of a 21 day period after the action was instituted, there is not a court order in force preventing the release of the goods.

2.10 A further amendment to the Act took effect on 31 July 1998 and removed the right of a copyright owner or exclusive licensee to object to the parallel imports of CD sound recordings. Another amendment to come into effect on 1 February 2000, will restrict the ability of right holders to take action against imports if the copyright subsists only in terms of the packaging and labelling and not in terms of the goods themselves.

#### Customs Task

2.11 Customs currently has 52 Notices of Objection in place under the *Copyright Act 1968*. These Notices have been lodged by 43 companies. The Notices cover a range of goods including:

Packaging and labelling	Bags	Golf Clubs
Video tapes	Catalogues	Headwear
Audio tapes	Clothing	Jewellery
CDs	Coloured pens	Material weave and pattern
Sound recordings	Computer software (including games, manuals, instructions etc)	Perfumes
Artistic works	Computer hardware	Personal/health care products
Cinematograph films	Control and instrumentation products	Pumps
Lyrics	Cosmetics	Stationery and written materials
Musical works	Exercise equipment	Watches
Records	Fishing gear	Drinking Water
Videogrammes	Food	Yarn (spun polyester)
Encyclopaedia CDs	Footwear	Watercraft and accessories
Alcohol		

- 2.12 CD sound recordings, video tapes, computer software, clothing and footwear are probably the most common goods covered by the Notices. An examination of the Customs import database, shows that in excess of 400 000 consignments of these goods were imported by more than 50 000 importers in 1998. These figures do not include hundreds of thousands of small consignments imported as cargo or through the post for which import entries were not required. A consignment may consist of a few copies of a single article or thousands of copies of many different articles.
- 2.13 Because of the nature of copyright and the generic descriptions of goods required by Customs for commercial purposes, physical examination of the goods is necessary to confirm whether an infringement has occurred. The

difficulty is to target only consignments for examination which contain infringing goods so that there are not undue delays to trade.

2.14 Targeting is made more difficult by the nature of copyright. A single Notice of Objection may claim copyright for a large range of different types of goods and it may be difficult to profile them all. Profiling is the process by which Customs identifies those consignments which need additional action before clearance is given. For example one notice covers several well-known brands of cosmetics and toiletries and several brands of health care products. Similarly, a single notice may cover thousands of different articles of the same type which makes checking for infringements a painstaking task. For example a consignment of hundreds of different sound recordings may have to be checked against a notice covering thousands of different titles. Despite these difficulties, more than 60 seizures were made in the year to 30 April 1999 for infringement of copyright.

#### Customs Strategy

- 2.15 Examination of all consignments which may possibly infringe import controls is not possible. Priority is given to examinations for narcotics while examinations in regard to other matters such as firearms and dangerous goods; objectionable material; performance enhancing drugs; revenue matters and intellectual property rights are treated as being of equal importance.
- 2.16 The range of goods, the number of importers and the number of consignments involved make it extremely unlikely that purely random examinations would be a useful tool for enforcement of copyright.
- 2.17 The majority of cargo examinations are targeted on the basis of intelligence. When any examination is conducted, the goods are examined for compliance with all legislation administered by Customs and not just in regard to the specific concern which instigate the examination. As an example, goods which are being examined for compliance with country of origin marking requirements will also be examined for compliance with other import restrictions as well as the enforcement provisions of intellectual property legislation.
- 2.18 Commercial consignments are selected for examination on the basis that data included in the import entry matches a profile that has been inserted into the computer program that processes the entries. Data fields that are commonly used for profiling include the type of goods, the exporter, the importer, the country of origin, the unit value. Policy is to use a number data fields in each profile as this restricts the number of consignments selected for examination and provides a greater probability of positive results from the examinations.
- 2.19 When intellectual property owners lodge notices of objection, they are encouraged to provide as much information as possible about likely infringements so that profiles with a reasonable chance of detecting infringing consignments can be added to the computer program. Customs has to rely very heavily on the objector for the information because most of it comes

directly from the market place rather than from traditional law enforcement sources. The objectors generally have far more intimate knowledge of the market place than Customs.

- 2.20 Experience has been that greater success is achieved with enforcement when the objector commits resources to acquiring market intelligence about possible infringements and then supplies that intelligence to Customs. Objectors can also assist by maintaining regular contact with Customs operational areas and providing technical advice and assistance to ensure that officers are able to identify infringing goods.
- 2.21 Many objectors appear to consider that their responsibility to pursue the copyright matter is finished once they lodge their Notice of objection and that Customs' powers once exercised by seizure will permanently prevent the allegedly infringing goods entering Australia. Another problem is that even when an objection is properly lodged, the majority of objectors fail to provide sufficient information to assist in identifying consignments containing infringing goods. Most intellectual property infringement are detected during routine examinations of goods for other Customs purposes. These issues highlight the lack of appropriate industry awareness of the mechanisms involved or having commercial information regarding the importation of infringing goods.

#### TERM OF REFERENCE 1(f)

- 3. (1)(f) the effectiveness of the provisions of Division 7 of Part 5 of *the Copyright Act 1968* in the detention, apprehension and deterrence of the importation of infringing goods including counterfeit goods.
- 3.1 Subject to a number of qualifications, the provisions for border seizures in Division 7 of Part 5 of the *Copyright Act 1968* are considered to be reasonably effective in the detention, apprehension and deterrence of the importation of infringing goods, including counterfeit goods. This judgement is based upon feedback from those in industry, with who's assistance, Customs has successfully detected infringing goods.
- 3.2 The most critical qualification is that the objector must provide sufficient information about likely infringements for Customs to have a reasonable chance of identifying the relevant consignments. Many objectors appear to have the expectation that once they have lodged their notices of objection, Customs will immediately allocate sufficient resources to examine all goods of the type covered by the notices. It is inappropriate to allocate resources to examinations which have little chance of detecting infringing goods because there is insufficient information to permit proper targeting.
- 3.3 The objector must also provide sufficient technical advice and assistance to ensure that officers undertaking examinations will recognise possible infringements. Infringing goods do not carry labels indicating that they are unauthorised copies or counterfeit goods. To have any real value in the market, they must be identical or at least very similar in appearance.

3.4 Another qualification is that, for the provisions to be an effective deterrent, the objectors must be willing to proceed with action in the courts when infringing goods are detected. Customs' power is restricted to seizing infringing goods and holding them for the prescribed period. If the objector does not commence proceedings within that period, the goods must be released to the importer and any deterrent effect evaporates.

### Factors that make enforcement more difficult and less effective.

### Size/Value of the Consignment

- 3.5 Copyright is a "private" right and it is appropriate that the right owner (or exclusive licensee) to whom any benefits accrue should carry the major responsibility for protection of that right. By restricting Customs' role to seizing and holding infringing goods for a limited period, the provisions do reflect the appropriateness of the objector bearing this responsibility. The fact that the merits of the issue must be decided by a court makes the subsequent process very costly for both parties.
- 3.6 It is understood that objectors often decide against proceeding because the cost is not justified when the size or value of the consignment is taken into consideration. It is possible that some importers may even be arranging for a number of small consignments rather than a single large consignment for this reason. It may simply be a result of market forces given that many counterfeit goods are sold by stall owners in markets who do not require large consignments. Also, importers may decide that forfeiting the goods is an acceptable loss because the cost of defending the action in court would be much greater.
- 3.7 In some cases with counterfeit goods, the provisions of the Commerce (Trade Descriptions) Act relating to false trade descriptions can be used to seize the goods. A warrant must be obtained before using these provisions, which imposes a significant cost on Customs.
- 3.8 Both the TRIPS Agreement and the *Copyright Act 1968* are intended to deal only with goods imported for the purpose of trade. Many consignments imported into Australia for the purpose of trade are small in size and value when compared to the costs of pursuing action in the courts. The enforcement provisions would be more effective if a less costly mechanism could be found for deciding the issues when small and medium consignments are involved.
- 3.9 One possibility could be to establish an independent body, to stand in the stead of court to make judgements where it is not in the interests of the parties to proceed with action in the Court because of the cost involved.
- 3.10 Another option would be to change relevant legislation so that counterfeit goods could be seized at a Customs place without obtaining a warrant. The importer would have the right to lodge a claim for the goods by challenging the evidence that they were not genuine. Experience indicates that importers

very rarely proceed with such a claim and the goods are generally condemned as forfeited to the Crown.

### Lack of Independent Technical Experts

3.11 The large range of imported goods subject to notices of objection and the technical complexity of many of them, make it almost impossible for officers undertaking examinations to identify infringements with a high level of confidence. To overcome this problem, technical experts are asked to provide advice. Because of the nature of copyright, it is very common for the only available technical expert to be either employed by the objector or by an organisation closely associated with the objector. There has been a suggestion that Customs relies on biased advice when making decisions to seize consignments which may infringe copyright. Concern about this perception is alleviated to some extent by the fact that the advice can be challenged during the subsequent court proceedings but, in cases where the consignment is small, the importer often decides that the cost of defending the action outweighs the benefit to be gained and forfeits the goods.

*Overlap between the Protection of Intellectual Property Rights and Consumer Protection* 

- 3.12 Counterfeit goods often infringe both intellectual property legislation and consumer protection legislation. The labels and logos, which make counterfeit goods appear genuine, breach the provisions of the *Commerce (Trade Descriptions) Act* relating to false trade descriptions. Often, when advised of the seizure of small consignments of infringing goods, objectors decide against commencing court proceedings but demand that action be taken under the *Commerce (Trade Descriptions) Act*. This effectively transfers the cost burden to Customs as the goods may only be seized under this legislation after obtaining a warrant. In many cases, the cost of obtaining the warrant to seize the goods is greater than the value of the goods.
- 3.13 The question arises as to whether it is appropriate for Customs to use its resources to provide de facto protection to intellectual property rights when the objector declines to do so. Of equal concern is whether it is appropriate to use the false trade description provisions in circumstances when the consumer is often not being deceived by the false description because the price of the article makes it obvious that the article is not genuine.

#### Costs, Delays and Difficulties Associated with the Courts.

3.14 Court proceedings, whether civil or criminal, place demands on all parties in terms of the standard of evidence required which result in the whole process being difficult, protracted and expensive.

### OTHER TERMS OF REFERENCE

4. 1(a) - evidence of the types and scale of copyright infringement in Australia including:

### 1(a)(i) - the availability and accuracy of data on copyright infringement;

- 4.1 Customs has very limited data to provide on copyright infringement and advises caution in drawing definitive conclusions from the data it has. The information is limited because Customs only began maintaining records which allowed separate identification of copyright infringements comparatively recently. The situation is complicated by the fact that a single consignment may infringe trade marks and trade descriptions legislation in addition to copyright. The officer responsible for the seizure may record the infringement against any of the three. Further inaccuracies arise because a single consignment may contain a variety goods which infringe the rights of a number of individual copyright owners.
- 4.2 With these concerns in mind, Customs advises that it has seized more than 60 consignments of goods for infringements of copyright in the 12 months to 30 April 1999. The values of the consignments ranged up to \$45,000 but a very significant majority are valued at less than \$1000.

### 5. 1(a)(ii) - the scale of infringement in Australia in comparison with countries in our region and Australia's major trading partners;

5.1 Customs has no reliable data on the scale of infringement in Australia in comparison with countries in our region or with our major trading partners.

#### 6. 1(a)(iii) - the geographical spread of copyright infringement in Australia;

6.1 Infringements have been detected in all regions but the majority have been found in Sydney and Melbourne. This is to be expected as these ports are the most significant in terms of volumes of cargo and demand for these types of goods. In addition, more resources are available to conduct examinations.

### 7. 1(a)(iv) - the cost of infringement and impact on Australian business;

7.1 Customs has no significant information to offer on this issue. There is no charge in relation to the lodging of a Notice of Objection although a security of \$5000 must be lodged with the notice to cover any expenses incurred by Customs in enforcing it. This security is normally a documentary security in the form of a bank guarantee. In practice, because goods are normally examined for a variety of possible infringements, Customs rarely charges for any expenses incurred.

### 8. 1(a)(v) - whether there is evidence of the involvement of organised crime groups in copyright infringement in Australia, and if so, to what extent;

8.1 Whilst aware that there have been assertions in the media of involvement by organised crime groups in intellectual property infringements, no evidence has been produced to Customs which would support the assertions.

### 9. 1(a)(vi) - likely future trends in the scale and nature of copyright infringement.

9.1 As early records did not identify copyright infringements separately from other similar commercial breaches, Customs is unable to make statements on trends in the scale and nature of copyright infringement. Experienced operational staff believe strongly however, that there has been a significant increase in the number of infringements in recent times. They have also observed a pattern of regular small consignments of counterfeit goods which they believe is a calculated attempt to discourage the right owners from pursuing action in the courts.

### **10.** 1(b) - options for copyright owners to protect their copyright against infringement, including:

10.1 A general option available to copyright is to establish industry associations specifically aimed at protecting their intellectual property rights. These associations can mount publicity campaigns, pool intelligence, provide a continual focus on traders suspected of infringements, retain specialist intellectual property legal advisers, etc. The benefit is that the costs are shared rather than borne by individual companies.

### 11. 1(b)(i) - actions and expenditure undertaken, and that could be undertaken, by copyright owners to defend their copyright;

11.1 Customs' only role and experience is in regard to enforcement of copyright in relation to imported goods that are still subject to Customs control. Customs can only encourage right owners to lodge notices of objection as this may prevent infringing goods from reaching the market place. Having lodged notices, the owners must then support Customs by providing intelligence and technical advice.

### 12. 1 (b)(ii) - use of existing provisions of the *Copyright Act 1968*;

12.1 See comments for the previous term of reference.

### **13.** 1(b)(iii) - use of legislative provisions other than those of the *Copyright Act* 1968;

- 13.1 As previously stated, goods that infringe copyright often also infringe trade marks or trade descriptions legislation. Customs believes that right owners are inclined to use trade marks legislation where this is possible because it is easier to establish their ownership of the right due to the registration process that applies to trade marks.
- 13.2 For small consignments where the right owner believes that the cost of taking action in the court will exceed any benefit to be gained, action under the false

trade description provisions of the Commerce (Trade Descriptions) Act is often requested.

- 13.4 Clearly, any assertion of a breach of that legislation must be supported by evidence which meets its provisions and Customs would consider each case carefully.
- 13.5 Customs would not automatically apply the provisions of the Commerce (Trade Descriptions) Act to any goods.
- 13.6 One concern relates to whether it is appropriate to provide de facto protection to IPR owners who are unwilling to take action to protect their own rights. Another concern is whether it is appropriate to use the false trade description to protect consumers when they are often not being deceived by the trade description because the price of the goods and the environment in which they are sold give a strong indication that they are not genuine.
- 13.7 Trade Practices legislation and State/Territory Fair Trading legislation may also provide avenues for copyright owners to protect their rights.

### 14. 1(b)(iv) - technological or other non-legislative measures for copyright protection.

- 14.1 Customs is aware of technological advances such as the inclusion of holograms, encryption devices, DNA imprint etc., which make it easier to confirm that goods are not genuine. While these advances can bring a level of certainty to the identification of infringing goods, their benefit could be limited if they become too sophisticated for Customs officers to detect without the aid of sophisticated technical equipment.
- 15. 1(c) the adequacy of criminal sanctions against copyright infringement, including in respect of the forfeiture of infringing copies or devices used to make such copies, and the desirability or otherwise of amending the law to provide procedural or evidential assistance in criminal actions against copyright infringement;
- 15.1 Criminal proceedings generally produce additional difficulties because of the higher standards of evidence required and the necessity to prove intent.

### 16. 1(d) - the adequacy of civil actions in protecting the interests of plaintiffs and defendants in actions for copyright infringement including the adequacy of provisions for costs and remedies;

- 16.1 Customs is aware of frequent industry assertions that the current civil process is too expensive.
- 17. 1(e) the desirability or otherwise of amending the law to provide further procedural, evidential or other assistance to copyright owners in civil actions for copyright infringement;

- 17.1 As mentioned above, Customs believes that it may be appropriate to develop an alternate process for dealing with small consignments.
- **18.** 1(g) the effectiveness of existing institutional arrangements and guidelines for the enforcement of copyright, including:
- **19.** 1(g)(i) the role and function of the Australian Federal Police, and State Police exercising Federal jurisdiction, in detecting and policing copyright infringement;
- 19.1 Customs has no comment to offer on this term of reference.
- **20.** 1(g)(ii) the relationship between enforcement authorities and copyright owners;
- 20.1 Customs believes it generally has a good relationship with those companies that have lodged Notices of Objection under the *Copyright Act 1968*.

### 21. 1(g)(iv) - coordination of copyright enforcement.

- 21.1 Customs participates in an informal group organised by the Attorney-General's Department which meets two to four times a year and focuses on raising Government Departments awareness of the enforcement of copyright, sharing information and identifying problems with the *Copyright Act 1968*. However, there is no single agency with policy responsibility for dealing with counterfeit goods.
- 22. 2 In undertaking the inquiry and framing its recommendations, the Committee will have regard to:
- 23. 2(a) -Australia's obligations under relevant international treaties, in particular under the World Trade Organisation Agreement on Trade Related Aspects of Intellectual Property Rights;
- 23.1 Customs has no comment to offer on this term of reference.

## 24. 2(b) - the provisions of the *Copyright Act 1968* and any amendments to that Act that have been introduced or have been publicly proposed by the Government, to be introduced into Parliament;

- 24.1 Customs does not believe that the recent amendments to the Act in regard to sound recordings will have a significant impact on its operations. The effect of this amendment is limited to genuine copies produced in countries which are signatories to the WTO TRIPS Agreement. Action against counterfeit copies will not be affected.
- 24.2 The amendment in regard to packaging and labelling will have a more substantial effect. Almost all of the existing notices of objection relate to packaging and labelling and will become ineffective when this amendment

enters force on 1 February 2000. Again, this should not affect actions in regard to counterfeit goods as the amendment relates only to genuine products.

### 25. 2(c) - established principles of criminal and civil procedure which apply in cases generally;

25.1 Customs has no comment to offer on this term of reference.

### 26. 2 (d) - Commonwealth criminal law policy;

26.1 Customs has no comment to offer on this term of reference.

#### 27. 2(e) - enforcement regimes for other forms of intellectual property;

27.1 Customs has similar enforcement responsibilities in regard to the *Trade Marks Act 1995* or the *Sydney 2000 Games (Indicia and Images) Protection Act 1996.* The same strategies are employed to meet these responsibilities as are used for copyright.

### 28. 2(f) - existing resources and operational priorities of Government enforcement agencies;

- 28.1 No operational staff are specifically dedicated to enforcement of intellectual property rights but all staff are required to check for IPR infringements whenever they are undertaking cargo examinations.
- 28.2 Action in relation to imports of narcotic drugs is clearly the highest priority enforcement task for Customs. Examinations in regard to other matters such as firearms and dangerous goods; objectionable material; performance enhancing drugs; revenue matters and intellectual property rights are treated as being of equal importance.

### **29.** 2(g) - the possible effect of any proposed changes on the operation of Government and private sector organisations.

29.1 Customs has no comment to offer on this term of reference.