

C107299
 ID # 258155
af

**WHITE HOUSE
 CORRESPONDENCE TRACKING WORKSHEET**

O - OUTGOING

H - INTERNAL

I - INCOMING

Date Correspondence Received (YY/MM/DD) 91/07/25

Name of Correspondent: Mr. James Churne

MI Mail Report

User Codes: (A) _____ (B) _____ (C) _____

Subject: Re: Taiwan Admission to GATT

ROUTE TO:

ACTION

DISPOSITION

Office/Agency	(Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
	CoKell	ORIGINATOR	91/07/26		C	91/08/29
	<i>Luc</i>	Referral Note:	91/08/06		A	91/08/16
		Referral Note:	1/1			1/1
		Referral Note:	1/1			1/1
		Referral Note:	1/1			1/1

ACTION CODES:

- A - Appropriate Action
- C - Comment/Recommendation
- D - Draft Response
- F - Furnish Fact Sheet to be used as Enclosure

- I - Info Copy Only/No Action Necessary
- R - Direct Reply w/Copy
- S - For Signature
- X - Interim Reply

DISPOSITION CODES:

- A - Answered
- B - Non-Special Referral
- C - Completed
- S - Suspended

FOR OUTGOING CORRESPONDENCE:

- Type of Response = Initials of Signer
- Code = "A"
- Completion Date = Date of Outgoing

Comments: _____

Keep this worksheet attached to the original incoming letter.
 Send all routing updates to Central Reference (Room 75, OEOB).
 Always return completed correspondence record to Central Files.
 Refer questions about the correspondence tracking system to Central Reference, ext. 2590.

25
WOC

258155
**IMAGINEERING
INC**

The President
The White House
Washington, DC

July 22, 1991

Re: Taiwan Admission to GATT

Dear Mr. President:

SK
Imagineering Inc. is a Bergen County, New Jersey-based U.S. owned and operated small business corporation engaged in the development of intellectual property. This intellectual property is primarily in the form of computer software embodied on ROM cartridges which operates through video game machines.

My company strongly opposes the admission of Taiwan to GATT.

Taiwan is the worldwide center of international copyright piracy. Taiwan has never joined the Berne Convention. The government of Taiwan does nothing to stop wide ranging copying and worldwide distribution of copyrighted computer software, including products owned or developed by my employer. Imagineering provides jobs to skilled and creative New Jersey-ians and New Yorkers. The Taiwanese rip us off while their government does nothing to put a halt to this practice.

We feel very strongly that until Taiwan stops supporting international copyright piracy for the benefit of its own semiconductor industries, at the expense of owners of intellectual property around the world, the U.S. should not reward such conduct by permitting Taiwan to join GATT.

Yours sincerely,



James Charne
Vice President Legal
& Business Affairs
General Counsel

/j/cc: Garry Kitchen



UNITED STATES DEPARTMENT OF COMMERCE
International Trade Administration
Washington, D.C. 20230

AUG 16 1991

Mr. James Charne
Vice President
Legal and Business Affairs
General Counsel
Imagineering, Inc.
P.O. Box 116
Glen Rock, NJ 07452

Dear Mr. Charne:

Thank you for your recent letter to the President stating your opposition to Taiwan's GATT accession based on its abuses of intellectual property right (IPR) protection. Your letter was forwarded to my office from the White House for a reply.

I appreciate your concern regarding the problem of computer software piracy in Taiwan. The United States has been working with Taiwan for several years to correct the deficiencies in its IPR protection. During this time Taiwan has made significant improvements in its IPR protection, including in the copyright area. For instance, the United States and Taiwan initialled a bilateral copyright agreement in July 1989 which provides for protection at approximately the same level as that of the Berne Convention. Taiwan is currently putting the finishing touches on its copyright law to bring it into full compliance with this bilateral agreement.

While the United States is pleased with the progress Taiwan has made, we recognize that serious problems remain. This is why the United States has cited Taiwan under the so-called "Special 301" provision of the Omnibus Trade and Competitiveness Act of 1988, which flags countries where the United States has serious problems in the IPR area. Special 301 provides that if a country has particularly egregious IPR practices that have a significant effect on U.S. products or persons that rely on IPR protection, and does not agree to make progress, the United States can take unilateral trade steps to address the situation.

The United States will continue to work with Taiwan under Special 301 to encourage further improvements in its IPR regime. Although Taiwan's IPR performance is far from perfect, the United States does not believe that this is grounds for opposing its membership in the GATT. In fact having Taiwan as a GATT member will actually provide the United States with additional tools to press for further improvements, particularly during the accession process where we often have maximum leverage to bring countries into compliance with existing GATT provisions. This will be especially true if we are successful in concluding an agreement under the GATT



to address the trade-related aspects of intellectual property rights (TRIPs) which is currently being discussed in the Uruguay Round of multilateral trade negotiations.

I trust that this reply may alleviate some of your concerns regarding Taiwan's GATT application. I should also note that the President recently stated in a letter to Congress that "the United States will begin to work actively with other [GATT] contracting parties to resolve in a favorable manner the issues relating to Taiwan's GATT accession." The particulars with respect to this statement are presently undergoing further review. However, we view it as a positive step towards the eventual full integration of Taiwan into the community of trading nations.

Sincerely,

A handwritten signature in cursive script that reads "Rose J. Murphy". The signature is written in dark ink and is positioned below the word "Sincerely,".

Director
Office of Multilateral Affairs