

Antitrust Suspects Samsung, Nokia, Dell of Violating Copyright Law

By Vladimir Goryachev

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The Federal Anti-Monopoly Service has revealed a list of 23 importers whom the watchdog suspects of failing to pay copyright fees to the Russian Union of Right-Holders, a news report said Monday.

Electronics manufacturers Angstrem and Sitronics were among the companies named by the agency, along with the Russian branches of Samsung, Nokia, Dell, Panasonic and BBK, Vedomosti reported, citing a letter sent by the watchdog to the government.

The antitrust watchdog opened a case against the importers in mid-March, but the agency did not reveal the companies' names then.

Almost all of the companies named in the letter declined to comment. Most said they had not received any documents from the Federal Anti-Monopoly Service.

Angstrem spokesman Alexei Dianov said he was surprised that his company, which produces microelectronics, had been included in the list of offenders.

"We import only silicon wafers for our own production and custom-made microchips, which simply cannot be used for recording audio and video information," Dianov said.

In the autumn of 2010, the Russian Union of Right-Holders, headed by film director Nikita Mikhalkov, was authorized by the government to collect 1 percent of a product's value from all domestic manufacturers and importers of data storage devices and recording equipment.

Since then, importers have been trying to repeal that fee through the court system but have not succeeded.

Finally, the Russian Union of Rights Holders managed to reach an agreement with most importers, yet such major manufacturers as Nokia and Panasonic still refuse to pay the fee.

In one of its lawsuits, Nokia complained about blurred definitions that allow the fee to be applied to mobile phones, which are rarely used for sound recording.

In March, the Japanese Embassy, under pressure from Panasonic, asked the Economic Development Ministry and the State Duma to change the current system of copyright fees for importers of consumer electronics.

Meanwhile, the Economic Development Ministry has criticized the Federal Anti-Monopoly Service on the copyright fee issue.

The ministry has told the government in a letter that importers' behavior does not violate the principles of competition, Vedomosti said.

It said the copyright fee system is inefficient, while the work of the Russian Union of Right-Holders should be more transparent.

Mikhail Barshchevsky, the government's representative in Russia's highest courts, sided with the Economic Development Ministry.

In his opinion, the system is not only inefficient but also unconstitutional because it practically authorizes a private organization whose operations and finances are not transparent to tax business entities.

Contact the author at <u>bizreporter@imedia.ru</u>

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