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#### WORLD NO TOBACCO DAY



#### DeFacto ARTICLE

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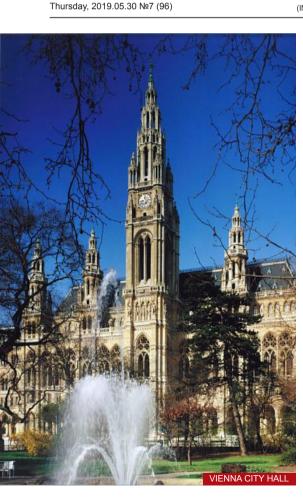
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WEEKLY

## The Defacto Gazette

A GLOBAL LOCAL, INDEPENDENT, ANALYTICAL NEWSPAPER COVERING THE POLITICS AND ECONOMICS OF MONGOLIA (IN ENGLISH, JAPANESE, RUSSIAN AND MONGOLIAN)

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THE DEFACTO GAZETTE

#### DeFacto ARTICLE



JARGALSAIKHAN Dambadarjaa For weekly articles, visit http://jargaldefacto.com/category/23

### JOURNALISM IS AT RISK – EVEN IN EUROPE

Nº 482

In Europe today, journalism is at risk and media is in danger" said Philipp Welte, a board member of Germany's largest media holding company Hubert Burda Media, at the European Publishing Congress held last week in a historical city hall building in Vienna, Austria's capital city. Hubert Burda Media is a large media corporation that has an annual revenue of 2 billion USD, employs 10,000 people, and publishes a number of popular magazines (Focus, Bunte, Chip, Playboy), each of which has more than half a million subscribers. So, if someone from their boardroom says the media is in danger, the threat can be considered as real.

Starting from this year they changed the name of

the congress from 'European Newspaper Congress' to 'European Publishing Congress', so that it reflects the involvement and participation of online magazines and publications. This time the 20th annual congress saw an attendance of over 500 media executives, editors, journalists, and public servants from 35 countries. What happens in the world today cannot be fathomed without its digital dimension, which includes social networks such as Facebook and Twitter. Same goes for media, not only in Europe, but also globally.

Having attended the congress representing Mongolia and exchanging feedback and experience on key issues faced by the press today, I've summed up my reflections below.

#### DANGER FACED BY DEMOCRACY

Everywhere in the world, traditional media are facing threats and increasingly struggling to operate as normal. Their revenue is plummeting, which means they are having bigger challenges to pay for their journalists, reporters, photographers, videographers, and editors. Journalists connect thousands of dots between people and the public officials that are elected by them. But now both journalism and journalists are at risk.

On one hand, the far-right political parties and politicians have made the job of reporters one of the riskiest professions. Telling the truth is costing lives. Turkey has fired 130,000 public servants, put 160 reporters in jail, and closed down 190 media

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publishers. In 2018, a total of 182 reporters were killed globally, while the casualty this year stands at 12 as of April. A total of 328 reporters are currently imprisoned across the world.

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On the other hand, social network is full of fake news, and people can't tell fact from fiction. False accusations, slander, defamation, and toxic political agendas are being carried out at a professional level. Fake news have spread throughout the world. At the same time, large social network corporations such as Facebook and Google are seeing greater revenue from ads, whereas the traditional media keep getting reduced income. In 2018, Germany's 2,000 magazines made a combined ad revenue of **>>** 

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980 million EUR. In contrast, Facebook alone earned 1.28 billion EUR, and Google made even more.

The United States was the first nation ever to include the freedom to speech in their constitution. However, the U.S. president is now labelling reporters and journalists as 'fake people'. As the opportunity to tell the truth becomes more limited, democracy is facing greater threats. While accountable reporting gradually disappears, it is giving a rise to fake news and reporting without verified, accountable sources. Social networks continue pushing traditional media out of the scene. It is said that, in 2033, Germany will produce their last newspaper to be printed on paper.

fake news, and to enable professional journalists and reporters to rise above the social network with their content and accountable reporting.

are disappearing.

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#### **TRADITIONAL MEDIA'S DIGITAL TRANSITION**

There is an interesting example in the oldest Dutch newspaper (fd) and how they were able to reinvent themselves and adapted to new circumstances successfully. This newspaper, which was first published in 1796, transitioned to Berliner format in 2011, incorporating six columns. This transition also involved publishing and distributing their newspaper in digital format. As a result, the number of their subscribers rose from 52,000 in 2006 to 92,000 today. Their chief layoutter Hans Spoelman said that they are distributing the newspapers to every dimensions, including digital, and their journalist now add their content directly to the digital platforms.

The Economist magazine is also a great example of successfully transitioning from traditional means to digital platforms and combining the two forms effectively while maintaining increasing revenue. The Economist's executive vice president Marina Haydn explained how their readers have become customers and how they made their digital transformation. She said that the Economist has gone from being a newspaper to a 'viewspaper'. For me, it was interesting to hear their intentions for the future as I receive the Economist in paper form in Mongolia, read it using my mobile phone, watch their content, and even listen to them on mobile.

The European press are saying that we need to fight to get our freedom back, because the most

fundamental democratic values - including those

that allow us to voice our opinion, freely elect our

representatives, and be able to provide oversight -

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There is an emerging need to educate people on

distinguishing between fact-based reporting and

The traditional media's successful transition to digital platforms has been greatly aided by the European law on protecting the intellectual property rights of the content created by responsible, experienced reporters. This law was initiated by Australia and recently passed by the European Union. When giving the opening remarks at the European Publishing Congress, the 33-year-old Austrian Chancellor Sebastian Kurz talked about this law and emphasized that the press and politicians need to have a shared accountability in providing facts and truthful news to the public.

Chancellor Kurz also encouraged all participants to tour around Vienna and Austria. The Vienna city administration partnered on organizing this congress from the very beginning and has allowed it to take place in its beautiful City Hall building, which is one of Vienna's iconic structures and was first built in 1872.

Telling the truth is costing more and more.

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# The Defacto Gazette

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#### Be first, butbe faithful: TRADEMARK LAW REFORMS

The Trademark Law of Mongolia is based on first-to-register principle, a simple rule that may often be fair enough. It could, however, serve as incentives to dishonest business practices. This is why the same or comparable special rules have been developed in many countries around the world that prioritise the legitimate interests of the public, consumers and honest business owners against malicious trademark applicantions. In this regard, the term trademark application in "bad faith" used commonly.

Dr. Uyanga Delger, attorney-at-law

Ministry Justice of Mongolia to public debates, purposes many positive changes for better balanced and fair trademark registration rules. The non-usecancellation rule and the procedure on oppositions against Mongolian trademark applications are examples thereof as they will improve the quality of trademark examination and allow businesses better access to product and service names.

The Draft Law on Trademark, however, does not address the issue of trademark applications in bad faith.

The Draft Law on Trademark, introduced by the

#### **EXAMPLES OF REGISTRATIONS IN BAD FAITH**

An owner of a trademark registered in Mongolia finds out that exactly the same product name was registered later in Mongolia for thousands of different products ranging from food, medication and male contraceptive to baby milk. One may ask here whether the trademark was registered with the sole interest of excluding others from the use of a very attractive product name, in order to sell or licence the product name later.

A Mongolian company imports washing powders from abroad together with packaging materials. The company received a cease and desist warning from another Mongolian company, the owner of a big number of trademarks. The trademark owner has never been active in selling washing powders in Mongolia. Generally, the company has never produced or sold any goods. All trademark registrations of the company are related to popular retail product names.

Another company operates in Mongolia by supplying goods under the product name X. Their product name has not being registered as a trademark. The company finds out that a person who had business relationships with them applied for the trademark X for the same goods.

#### **EXTENSION OF THE LIST OF ART. 5.2 OF THE TRADEMARK LAW**

The trademark registrations as shown in the examples above are nowadays very common in Mongolia. As the belief that trademark registration is a money-making opportunity seems to prevail (*The Defacto Gazette No. 58*), the public register is starting to fill up. Moreover, the current Trademark

Law of Mongolia does not provide for prevention of registrations in bad faith.

A simple solution for tackling the issue is adding a new provision to the list of Art. 5.2 of the Trademark Law that "trademarks that have been applied for in bad faith shall not be registered".

#### REASONINGS

The purpose of the Trademark Law is giving businesses opportunity to participate in the economy through competition on the merits but not through imitation or abuse.

If the Draft Trademark Law, introduced by the Ministry of Justice, passes the Parliament of Mongolia, individuals and companies will be more encouraged to submit oppositions against Mongolian trademark applications. This means, businesses will have more chances to stop the emergence of an unjustified trademark - an exclusive ownership position – already at the stage of trademark application.

Thanks to digitalisation with the support of the World Intellectual Property Office (WIPO), the trademark examination and publication have been improving in Mongolia in recent years significantly. Mongolian Trademark applications are published in the databases of the Intellectual Property Office of Mongolia and the Global Brand Database of WIPO.

Together with an additional provision in Art. 5.2 on applications in bad faith, the trademark application opposition procedure will substantially contribute to prevention of unnecessary intimidation potentials by dishonest business practices. There is, accordingly, a strong argument for adapting the current Draft Trademark Law by adding a provision on registrations in bad faith. A document published by the WIPO states, moreover, that the prohibition on registration in bad faith is internationally common (WIPO). Excluding trademark applications in bad faith from registration is, therefore, not only nationally desirable but internationally acceptable and, most importantly, beneficial to encouraging a fair competition that is essential to true economic progress and development of our country.

May 2019



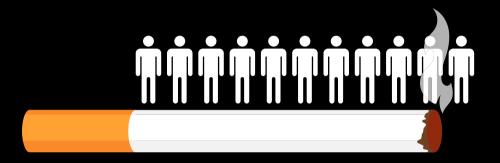
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## WORLD NO TOBACCO DAY

It's time to protect Mongolians from harms of tobacco and raise the tax on tobacco



n 31 May every year, the World Health Organization (WHO) and global partners celebrate World No Tobacco Day; an important day to raise awareness on the harmful and deadly effects of tobacco use and second-hand smoke. Tobacco kills more than 7 million people globally every year. That's more deaths each year from tobacco than HIV/AIDS, tuberculosis and malaria combined. Of these deaths, 80% are in low and middle-income countries where more than 80% of the world's smokers live.

In Mongolia, cardiovascular disease and cancer are the two leading causes of death. Approximately 20% are attributable to smoking which means they are preventable deaths. Smoking prevalence is high in Mongolia, where every second men is a smoker. But you don't have to be a smoker to be at risk! Non-smokers who are exposed to second-hand smoke also have an increased risk of disease. Alarmingly, 42.4% of all Mongolian youth are exposed to secondhand smoke at home. In Ulaanbaatar, where increasing levels of hazardous air pollution already pose a threat to the health of our children, should we not protect them when we can?

According to the World Bank, price increase of tobacco products is the most effective single measure to prevent smoking. Increasing tobacco tax and therefore price encourages people to quit and prevents youth from starting smoking at all. By raising tobacco taxes, our government can help prevent deaths, reduce the burden on our health system and increase our economic capacity.

In Mongolia, only 20.47% of the tobacco retail price is excise tax, falling far below the WHO benchmark of 70%. An amendment made to the taxation policy in 2015 placed Mongolia among countries with the lowest tax-to-price ratio in the WHO Western Pacific region. The currently planned gradual tobacco tax increases of 10% in January 2018, 5% in January 2019, and 5% in January 2020 will be ineffective in reducing high smoking prevalence in Mongolia.

This World No Tobacco Day, the National Cancer Council of Mongolia is urging Mongolian lawmakers to take a stand against tobacco. Today, we call for greater taxation on tobacco products; a win-win for the health of our people and our economy.

May 2019

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