



Republic of the Philippines

**SENATE**

Dasay City

**SUBJECT :** Spot Report on the September 14, 2004 Meeting Re: Organizational Meeting of the Committee on Public Information and Mass Media and Briefing on the Implementing Rules and Procedure (IRR) of the Optical Media Act of 2003

**Senators Present:** *Senator Ramon Bong Revilla, Jr., presiding Chairman; Senators Alfredo Lim; Richard Gordon; Jinggoy Estrada*

**Resource Persons:** Atty. Ma. Victoria Benedicto, Executive Director, Optical Media Board (OMB); Atty. Ulysses Gallego, Attorney III, OMB; Ms. Elizabeth Red, Chief, Licensing Division, OMB; Mr. Dante Malbas, Chief, Inspection Division, OMB; Mr. Von Lee Alfabeto, Deputy Chief, Inspection Division,

**AGENDA**

**Organizational Meeting of the Committee on Public Information and Mass Media and Briefing on the Implementing Rules and Procedure (IRR) of the Optical Media Act of 2003**

---

**HIGHLIGHTS**

- In his opening statement, presiding Chair Senator Ramon Bong Revilla, Jr. acknowledged the presence of invited resource persons from the Optical Media Board (OMB). He clarified that the meeting is a two-part activity: Organizational Meeting of the Committee on Public Information and Mass Media and briefing on the Implementing Rules and Regulations (IRR) of R.A. 9239 or the Optical Media Act of 2003;
- The Chair confirmed the members of the Committee on Public Information and Mass Media as manifested in the plenary on August 23, 2004. Members from the Majority are Senators Manuel Villar, Manuel Lapid, Mar Roxas and Richard Gordon while those from the Minority are Senators Alfredo Lim, Jamby Madrigal, Panfilo Lacson and Jinggoy Estrada;

- The Committee adopted the Rules of the Senate particularly Rules 10 and 11 as its governing guidelines in the conduct of its mandate and functions;
- Senator Richard Gordon was designated as Vice-Chair of the Committee;
- Highlights of the statements of Ma. Victoria Benedicto, Executive Director of the Optical Media Board (OMB):
  1. Republic Act 9239 or The Optical Media Act of 2003 was signed into law in February 10, 2004;
  2. As mandated by the newly-enacted law, the Videogram Regulatory Board (VRB) was reorganized and renamed as the Optical Media Board (OMB);
  3. Under the law, the classes of items and activities that are to be regulated by the OMB are the sale, rental, distribution, manufacture, mastering, importation and exportation of optical media -- CDs, VCDs and DVDs that are read by laser beam. Also for regulation are the use, operation, possession, sale, distribution, acquisition, importation and exportation of manufacturing materials such as polycarbonate plastic pellets and jewel cases; manufacturing equipment, parts and accessories such as production lines, silk screen machines and parts, masters, molds, stampers, and CD burners;
  4. Public offerings on the use of optical disc writers and re-writers will also be regulated;
  5. Regulation is done through a dual system of regulation and licensing: a) general registration and b) licensing for each act of replication, mastering, importation and exportation of optical media;
  6. The law requires the use of Source Identification Code (SID Code), which consists of mold and transfer codes that would identify the source of the optical media products. The SID Code was developed by the Philips Intellectual Property and Standards Office and is an internationally recognized system;
  7. There is a great need to hasten the approval of the implementing guidelines of the law to put more teeth into the efforts of the OMB in line with its mandate against piracy;
- As inquired by Senator Jinggoy Estrada, the OMB clarified reports involving the alleged violent raid that was recently conducted by the group of OMB Chair Edu Manzano in Virra Mall in San Juan. According to Atty. Benedicto, under the 'inspection right' clause, the OMB Chair is empowered to conduct raids, as what he and his group did in the said incident;
- OMB Chief Inspector Dante Malbas admitted that Chairman Manzano indeed carried a gun during the conduct of such raid but belied accusations that he

poked said firearm at any person(s) within the area. He stressed that it was in fact a member of the raiding team who had sustained injury in the said incident;

- Atty. Benedicto reported that except for that particular raid in Virra Mall, which she described as unfortunate, the raids that were initiated by the OMB have been generally peaceful and non-violent. She also declared that they have stopped enforcing the hologram system since the industry claims that the requirement translates to a case of over regulation and has inflicted additional cost to their businesses. But she remarked that its up to the OMB to re-enforce the system if it so decides through a resolution by the Members of the Board;
- The Chair underscored the potential revenue loss by the government as well as the difficulty that the authorities and the public would have in distinguishing the legitimate from the pirated products now that the hologram requirement for the optical media products have been shelved;
- Senator Alfredo Lim noted the big discrepancy between the prices of legitimate and pirated products. He expressed hope that the optical media industry could somehow be swayed in lowering their prices and thus encourage the consumers to patronize the authentic from the pirated ones, given the slim gap between its prices. He also encouraged the government to provide stiffer and punitive penalties for the crime of piracy to deter the committance of such;
- Senator Richard Gordon emphasized the importance of massive information dissemination campaign against piracy that should be undertaken collectively by the government, the OMB and the industry itself;
- Atty. Benedicto disclosed the record of operations of the OMB from the chairmanship of Senator Revilla to the incumbency of Mr. Edu Manzano. She cited the apprehensions and seizure operations initiated by their office as well as the convictions handed down by the courts on the charged entities. She indicated that the seized optical media equipment used for illegal purposes are in the custody of the courts;
- In closing, Senator Revilla announced that he will work on the organization and convening of the Congressional Oversight Committee on the Optical Media Board (COC-OMB), which he also co-chairs. He required the attendance of OMB Chairman Edu Manzano in the said planned meeting to pursue the discussion on and eventual adoption of the IRR for the Optical Media Act.
- The meeting was adjourned at 2:30 P.M.

***Prepared by Norberto M. Villanueva, Legislative Committee Secretary  
Committee on Public Information and Mass Media***