

**CROATIAN  
PRESS CUTTINGS  
2012 - 2014**

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of the kind assistance provided by  
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**BALKANS  
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RESEARCH UNIT**



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**HRVATSKO PRAVO  
INTELEKTUALNOG  
VLASNIŠTVA  
U SVJETLU PRISTUPA  
EUROPSKOJ UNIJI**

Opća redakcija  
Romana Matanovac

J. ADAMOVIĆ, M. DIKA, I. GLIHA, I. JOSIPOVIĆ,  
L.J. KUTEROVAC, R. MATANOVAČ,  
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**HRVATSKO PRAVO INTELKTUALNOG  
VLASNIŠTVA U SVJETLU PRISTUPA**

Opća redakcija  
Narodne  
Državni zavod  
Državna biblioteka

<hdu@hdu.hr>;  
<hdu@hdu.hr>; <hdu@hdu.hr>; <hdu@hdu.hr>; Igo  
<hds@zg.tel.hr>; <romana.matanovac@emporion.hr>;  
<@zg.tel.hr>; <@inet.hr>;  
<@zg.tel.hr>; <@inet.hr>;

**Zaštita prava intelektualnog vlasništva u hrvatskom kaznenom i prekršajnom  
pravu i prilagodba europskom pravu** (Protection of Intellectual Property in Croatian  
Criminal and Misdemeanour Bodies of Law and Harmonisation with European Law),  
together with Romana Matanovac, in *Hrvatsko pravo intelektualnog vlasništva u*

Članovi NO postavili su pitanje troškova i isplativosti  
najma poslovnog prostora u kojem djeluje ZAMP, te  
dotaknuli m... vlastitog prostora. Glavni  
ne najma prostora ZAMPA  
ka Emporion. Također  
tnerima u Emporionu  
enje troškova zaštite  
stora. Vlastiti prostor  
e financijski je velik  
pio mogao bi tijekom  
o bi se opseg posla i  
ili smanjio.

**ODBORA HRVATSKOG  
DRUŠTVA SKLADATELJA  
O POSLOVANJU U  
2010. GODINI**

# AFERA ZAMPORION



Državni zavod za intelektualno vlasništvo

## Mobbing nad nepoćudnim službenicima



**Doznajemo: Zviždačica koja upozorava na korupciju u poslovanju ZAMP-a zahtijeva od Vlade reviziju slučaja!**

**Evo kako je Josipović štitio Vojkovića: Radila u ZAMP-u i Emporionu, družila se s Josipovićem, a u ime države nadgledala HDS**

**KLJUČNI PODACI**

- Romana Matanovac Vučković 2005. imenovana je šeficom Vijeća stručnjaka za autorska i srodna prava
- Matanovac Vučković je radila za Emporion i ZAMP i bliska je Josipovićeve suradnica

**Vesna Stilin: Ravnatelj DZIV-a Topić me oklevetao i prevario**

**Index doznaje - Jovanović istražuje DZIV: Gdje je milijun kuna, tko se vozio u (pre)skupim automobilima?**

**KLJUČNI PODACI**

- Nađeno niz nepravilnosti
- Ravnatelj Topić se sprema postati potpredsjednik Europskog patentnog ureda

**Unatoč nađenim nepravilnostima: Ministar Jovanović pustio ravnatelja DZIV-a da ode u München!**

**Nagradio ga Pantovčak: Umjesto progona, ravnatelj Žavoda koji nadzire ZAMP promoviran!**

**KLJUČNI PODACI**

- Željko Topić odlazi iz DZIV-a i postaje potpredsjednik Europskog ureda za patente
- Dok je Topić bio šef DZIV-a optužvalo ga se za mito i utaju
- Vlada nije nadzirala aktivnosti DZIV-a

# Jutarnji LIST

BIVŠI RAVNATELJ DZIV-A

**Sanaderov kadar Željko Topić, smijenjen na vlastiti zahtjev, dobio još bolji posao**

# Hrvatski patent za autorska prava



## Bivši ravnatelj DZIV-a Željko Topić zakinuo je hrvatske književnike za milijune kuna

Autor: Mladen Prenc

Datum: nedjelja, 28. travnja 2013. u 20:01

## Raskrinkan banjalučki lažnjak u Europskoj patentnoj organizaciji?

Autor: Mladen Prenc

Datum: utorak, 25. lipnja 2013. u 16:31



## Sjedi li u EPO krivi čovjek?

Kako je magistar Željko Topić „balkan expressom“ stigao iz B. Luke preko Zagreba do Münchena

## Kako klepiti mečku državi u tri poteza

Dužnosnička mečka lako se može preseliti u privatne ruke, samo treba znati i biti dobro povezan, pokazuje ovaj primjer



## PROTIV TOPIĆA SE VODI ŠEST POSTUPAKA

Srijeda, 11 Travanj 2012 08:00

## ŽELJKO TOPIĆ LAŽNI MAGISTAR?

Srijeda, 20 Lipanj 2012 18:32

## NA TOPIĆEVOJ DIPLOMI DVIJE RAZLIČITE GODINE

Subota, 30 Ožujak 2013 15:47

## UZ TOUAREG SPORAN JE I A6 KOJIM SE SLUŽIO BIVŠI MINISTAR

Subota, 12 Travanj 2014 20:33

## **DISCLAIMER**

This compilation consists for the most part of non-certified translations of Croatian press reports published during the period 2012-2014 and it also includes a number of other related items such as translations of “press releases” issued by the Croatian State Intellectual Property Office.

No guarantee is given with respect to the accuracy of the translations.

Where an item has been translated from Croatian, a link to the original Croatian text is provided.

The aforementioned press reports are mostly concerned with various irregularities which are alleged to have occurred at the Croatian State Intellectual Property Office.

The purpose of the compilation is to permit those who are interested in these matters to obtain an overview of the related press coverage.

The authors of the compilation are in no position to pass any judgement concerning the veracity or otherwise of the contents of these press reports. Accordingly, we expressly refrain from attempting to take a position concerning the various allegations raised therein.

In our opinion, these allegations relate to matters whose investigation properly falls within the remit of the competent administrative and judicial authorities in Croatia and, where appropriate, at an international level.

We therefore limit ourselves to the simple claim that, in our opinion, the press reports included in this compilation raise questions which appear to deserve further investigation in the public interest.



# 2012

## List of published items from 2012:

1. **22 March 2012 - index.hr**

**Doznajemo: Zviždačica koja upozorava na korupciju u poslovanju ZAMP-a zahtijeva od Vlade reviziju slučaja!**

(Exclusive: The whistle-blower who keeps warning about corruption in the management of ZAMP requests the government to review the case!)

<http://www.index.hr/vijesti/clanak/obratila-se-linicu-zvzdacica-iz-zavoda-za-intelektualno-vlasnistvo-trazi-reviziju-slucaja-emporion/605689.aspx>

2. **23 March 2012 - index.hr**

**Evo kako je Josipović štitić Vojkovića: Radila u ZAMP-u i Emporionu, družila se s Josipovićem, a u ime države nadgledala HDS**

(How Josipović protected Vojković: Associate of Josipović who exercised supervisory control over HDS-ZAMP on behalf of the Government was a former employee of ZAMP and EMPORION)

<http://www.index.hr/xmag/clanak/evo-kako-je-josipovic-stitio-vojkovica-radila-u-zampu-i-emporionu-druzila-se-s-josipovicem-a-u-ime-drzave-nadgledala-hds--/605933.aspx>

3. **22 March 2012 - Press Release from the Croatian State Intellectual Property Office**

[http://www.dziv.hr/files/File/novosti/Priopcenje\\_za\\_javnost\\_22032012.pdf](http://www.dziv.hr/files/File/novosti/Priopcenje_za_javnost_22032012.pdf)

4. **30 March 2012 – tjedno.hr - OLAF se bavi Željkom Topićem**

(OLAF takes an interest in Željko Topić)

<http://www.index.hr/vijesti/clanak/vesna-stilin-ravnatelj-dziva-topic-me-oklevetao-i-prevario/609228.aspx>

5. **11 April 2012 – index.hr - Vesna Stilin: Ravnatelj DZIV-a Topić me oklevetao i prevario**

(Vesna Stilin: The Director General of the DZIV Topić libelled and defrauded me)

<http://www.index.hr/vijesti/clanak/vesna-stilin-ravnatelj-dziva-topic-me-oklevetao-i-prevario/609228.aspx>

6. **10 April 2012 – index.hr**

**Nagradio ga Pantovčak: Umjesto progona, ravnatelj Zavoda koji nadzire ZAMP promoviran!**

(The Pantovčak rewarded him: Instead of facing prosecution, the Director of the Office responsible for monitoring ZAMP was promoted!)

<http://www.index.hr/vijesti/clanak/nagradio-ga-pantovcak-umjesto-progona-ravnatelj-zavoda-koji-nadzire-zamp-promoviran/608936.aspx>



7. **11 April 2012 - tjedno.hr - Protiv Topića se vodi šest postupaka**  
(Proceedings pending against Topić in six cases)  
<http://www.tjedno.hr/index.php/categoryblog/998-protiv-topia-se-vodi-estpostupaka>
8. **26 April 2012 – index.hr**  
**Index doznaje – Jovanović istražuje DZIV: Gdje je milijun kuna, tko se vozio u (pre)skupim automobilima?**  
(Index reveals - Jovanović investigates the SIPO: Where did the million kuna go ? Who was driving the (too) expensive cars?)  
<http://www.index.hr/vijesti/clanak/index-doznaje--jovanovic-istrazuje-dziv-qdje-je-milijun-kuna-tko-se-vozio-u-preskupim-automobilima/611883.aspx>
9. **28 April 2012 - Jutarnji list -**  
**Sanaderov kadar Željko Topić, smijenjen na vlastiti zahtjev, dobio još bolji posao**  
(Sanader's "apparatchik" Željko Topić rewarded with an even better position after being relieved of his official duties at his own request)  
<http://www.jutarnji.hr/kazneni-progon-nije-ga-zaustavio--sanaderov-kadar-zeljko-topic--smijenjen-na-vlastiti-zahtjev--dobio-jos-bolji-posao/1024680/>
10. **30 April 2012 - Press Release from the Croatian State Intellectual Property Office**  
[http://www.dziv.hr/files/File/novosti/Priopcenje\\_za\\_javnost\\_30042012.pdf](http://www.dziv.hr/files/File/novosti/Priopcenje_za_javnost_30042012.pdf)
11. **16 November 2012 – Croatian Journalists' Association (HND)**  
**Zaključci 7. sjednice Novinarskog vijeća časti, održane 18. rujna 2012 - Željko Topić vs Slavica Lukić**  
(Findings of the 7th Session of the Journalists Ethic Council, held on 18 September 2012 – Željko Topić vs Slavica Lukić)  
<http://www.hnd.hr/hr/Zakljucci7sjednice2012/show/66192/>
12. **19 June 2012 - Deutsche Welle - Hrvatski patent za autorska prava**  
(The Croatian Patent on Copyright)  
<http://www.dw.de/hrvatski-patent-za-autorska-prava/a-16035391>
13. **20 June 2012 – tjedno.hr - Željko Topić lažni magistar?**  
(Does Željko Topić have a fake master's degree?)  
<http://tjedno.hr/index.php/arhiva/1228-eljko-topi-lani-magistar>

**Original Croatian text:**

*Doznajemo: Zviždačica koja upozorava na korupciju u poslovanju ZAMP-a zahtijeva od Vlade reviziju slučaja!*

<http://www.index.hr/vijesti/clanak/obratila-se-linicu-zvzdacica-iz-zavoda-za-intelektualno-vlasnistvo-trazi-reviziju-slucaja-emporion/605689.aspx>

**Exclusive:**

**The whistle-blower who keeps warning about corruption in the management of ZAMP\* requests the government to review the case!**

**Author:** H.A./I.Ć.

**Date:** 22 March 2012

Index has learnt that Vesna Stilin, the whistle-blower who was dismissed from the controversial Croatian State Intellectual Property Office (SIPO), has been encouraged by recent media reports about ZAMP and has approached the Ministry of Finance again this week. Citing the suspicion of unlawful acts of administration, corruption and favouritism towards certain companies, the former Assistant Director and one of the founders of the SIPO has requested a full audit of the SIPO's business from the Ministry of Finance.

Stilin tried to draw attention to the case on several occasions from 2006 to 2008 when she was driven away from the SIPO by Director-General Željko Topić. Formally, she was dismissed „due to causing damage to interpersonal relationships [*in the workplace*]“.

However, it seems that the real reason for her dismissal was because she had tried to warn the institutions in charge about irregularities occurring at the SIPO as well as the questionable relationship between the SIPO administration and Emporion. The latter is owned by the entrepreneur Mark Vojković, better known for his friendship with Croatian President Ivo Josipović and his partnership with newspaper publisher Ninoslav Pavić.

**The conflict with the SIPO management began in 2005**

According to our information, Stilin had already come into conflict with the SIPO management in 2005, after the Tax Administration had sent an inquiry to the SIPO expressing doubts about the legality of business affairs between the SIPO and Emporion.

Tax inspectors had noticed that the amount of Emporion's invoiced services of over 33 million kunas was too high to be considered as merely due to the costs of administrative and support activities of the previous year (2004). From exchanges with the HDS ZAMP management, tax inspectors found out that Emporion was executing not only administrative tasks but also all other technical, IT and professional functions relating to the collection of copyright payments. In short, ZAMP ceded all of their official duties and responsibilities in this regard to Emporion. This happened on the basis of two agreements concerning business and technical cooperation from 1999 and 2004 and was, in fact, the reason behind the high costs.

Emporion claimed that part of the amounts due to it were unpaid which is the reason why most of the costs were carried over from one year to another. Therefore, the cumulative amounts seemed high. Until 2004 and the adoption of the new Act on Copyright and Related Rights, ZAMP could sub-contract its business to companies registered for copyright protection like Emporion. But, according to the law in force at that time, in order to do this they needed the permission of the SIPO, which functions as the main supervisory authority. And that is where the problems start.

## No discussions

When the Tax Administration enquired as to whether ZAMP had obtained the requisite permission from the SIPO to cede all collective rights to Emporion prior to 2004, the SIPO only provided a vague answer. In a letter sent to the Ministry of Finance, Vesna Stilin claims that, instead of a clear "yes" or "no", the SIPO stated that "marginal issues will be analysed in cooperation with the Council of Experts for Copyright and Related Rights".

In that letter, Stilin also points out that no such discussions ever took place. Although the Tax Administration's query had been addressed to her personally, the answer from the SIPO was put together by one of the SIPO's inspectors and sent to the Ministry of Finance without obtaining Ms. Stilin's consent and her signature in accordance with normal practice. Someone at the SIPO was obviously in such a hurry to avoid any closer scrutiny of ZAMP and Emporion that they decided to bypass standard procedures.

## Instead of the "whistle-blower", President Josipović's associate got the job

After having pointed out that the proper procedures had not been followed in this case, Vesna Stilin immediately came under attack from the SIPO's administration, as she claims in the letter, and was dismissed from her position of Assistant Director at the SIPO soon afterwards. From 2005 to 2008, Stilin had been Head of the Department of Copyright and Related Rights, the SIPO department responsible for copyright issues. After her dismissal, this position was effectively abolished - despite a recommendation from the EU to hire five more employees in that department.

In the same year, Romana Matanovac Vučković, a close associate of President Ivo Josipović, who had been previously employed by ZAMP and Emporion, was appointed Head of the Council of Experts on Copyright and Related Rights which, amongst other things, was responsible for the supervision of ZAMP's business activities.

## The Council of Experts is not a lobbying body

Vesna Stilin warns that the appointment of Romana Matanovac Vučković was unlawful because, in its declaration, the Act on Copyright and Related Rights emphasises that:

*"The Council of Experts is not a lobbying body. Therefore no representatives of interested parties or government agencies should be appointed but, only and exclusively, disinterested experts."*

Being a former employee of both Emporion and ZAMP, Romana Matanovac Vučković was the last person who should have been named Head of the Council of Experts, the body which is responsible for examining business relations between ZAMP and Emporion.

As "Index" has already reported, Romana Matanovac Vučković has professional links to president Ivo Josipović and his wife Tatjana. In addition to being an assistant professor in the University department of Tatjana Josipović, [i.e. the President's wife], she has co-authored several scientific papers on the subject of copyright and related rights with Ivo Josipović and even participated in the creation of a controversial law which is colloquially known as "the Josipović law". She also showed her closeness to the current president as a musician by publishing a phonograph of Josipović's composition "Lauros" for the guitar and the violin under the Tutico label.

\* **Note:** HDS ZAMP = Hrvatsko Društvo Skladatelja - Zaštita Muzičkih Autorskih Prava

HDS ZAMP is a professional service that deals with the exercise and protection of music copyrights under supervision of the State Intellectual Property Office and in accordance with the Copyright Act. HDS ZAMP is a member of CISAC (the International Confederation Of Societies Of Authors And Composers) and BIEM (Bureau International des Sociétés Gérant les Droits d'Enregistrement et de Reproduction Mécanique).

[http://www.zamp.hr/en/about/about\\_en.htm](http://www.zamp.hr/en/about/about_en.htm)

**Original Croatian text:**

*Evo kako je Josipović štitio Vojkovića:*

*Radila u ZAMP-u i Emporionu, družila se s Josipovićem, a u ime države nadgledala HDS*

<http://www.index.hr/xmag/clanak/evo-kako-je-josipovic-stitio-vojkovica-radila-u-zampu-i-emporionu-druzila-se-s-josipovicem-a-u-ime-drzave-nadgledala-hds--/605933.aspx>

## **How Josipović protected Vojković: Associate of Josipović who exercised supervisory control over HDS-ZAMP\* on behalf of the Government was a former employee of ZAMP and EMPORION**

*Author: H.A./I.Ć.*

*Date: 23 March 2012*

The research associate of Ivo Josipović and former employee of HDS-ZAMP, Romana Matanovac Vučković, omitted information from her *curriculum vitae* concerning her employment in the company Emporion Ltd., owned by Marko Vojković, a friend of Josipović. In an interview with Index journalist, she confirmed that she omitted this information because she considered it to be irrelevant.

It turns out, however, that it is precisely this information which is of crucial importance because it confirms the claims of Vesna Stilin, former employee of the State Intellectual Property Office (SIPO), that the appointment of Romana Matanovac Vučković to the position of head of the Council of Experts for Copyright and Related Rights was illegal.

### **The rules which applied to others did not apply to Josipović's associate, Romana Matanovac Vučković**

To remind our readers, Romana Matanovac Vučković was appointed to the aforementioned position in 2005, after leaving HDS-ZAMP, while in the meantime she worked at the Zagreb School of Law. According to the Law on Copyright and Related Rights an independent expert should be appointed to the position of head of the Council: *"The Council of Experts is not a lobbying body to which representatives of interested parties or government bodies may be appointed, but only and exclusively independent experts."*

However, Romana Matanovac Vučković was given this position despite being a former employee of HDS-ZAMP and Emporion, which at that particular moment was under inspection by the Ministry of Finance and the SIPO because of suspicious payments.

In a letter from whistleblower Vesna Stilin, it was noted that prior to the appointment being made, in response to the publication of the vacancy notice for the position being the then director of HDS-ZAMP, Tomislav Radočaj, and Mirjana Puškarić, an official of the SIPO, submitted their applications.

What proved to be a stumbling-block for Tomislav Radočaj, did not prevent the appointment of Romana Matanovac Vučković.

In a petition which Stilin sent to the Ministry of Finance, the Office of the President, the Prime Minister and the Minister of Science this week, it is claimed that the SIPO turned a blind eye to this illegal practice. When warned about the impermissibility of Romana Matanovac Vučković's appointment to the Council of Experts, the sole inspector in the SIPO responded laconically: *"She is a special case!"*

In her petition to the highest state officials Vesna Stilin, the former assistant director and one of the founders of the Croatian State Intellectual Property Office claims that *"the Director General of the SIPO [i.e. Topić] misrepresented my aforementioned warning [about the Council of Experts appointment] as 'seriously disturbed relations with the Deputy Director' [i.e. Romana Matanovac Vučković]"*.

## French expert concluded that Matanovac must resign

It is noted that the appointment of Romana Matanovac Vučković was the subject of repeated discussions within the EU CARDS project for Copyright and Related Rights and the conclusion of Patrick Boiron, chief advisor for the aforementioned project, was that Romana Matanovac Vučković should resign as head of the Council of Experts because of the specified legal prohibitions, and in particular in view of the fact that she had once worked for HDS-ZAMP whose fee list is based on the Council's advice, all of which raised reasonable doubt about her impartiality.

According to Vesna Stilin, Boiron argued that such an appointment would not have been accepted in France because in the case of Romana Matanovac Vučković not only was there was one legitimate reason for objection, but two [*i.e. previous employment at both HDS-ZAMP and Emporion*]. Apart from breaking the law by appointing an official subject to a conflict of interest, the SIPO turned a deaf ear to the suggestions from the EU to hire an increased number of official/inspectors (at least 5) for the Department of Copyright and Related Rights. Only one inspector was appointed, which according to the opinion of Vesna Stilin, continued the illegal practices concerning the appointment of SIPO officials.

It seems that such appointments were intended to ensure that the supervision of HDS-ZAMP was kept under the control of a very small circle of people.

## How did ZAMP obtain official documents?

In order to demonstrate the problematic nature of the connection between the SIPO and HDS-ZAMP, Vesna Stilin drew attention to the issue of illegal leaking of official data from the SIPO to ZAMP. In her petition she stated that a confidential SIPO letter relating to the "Emporion case" was recently published on HDS-ZAMP website as proof that business cooperation between ZAMP and EMPORION was legal. Vesna Stilin warns that this was a violation of the law because "HDS-ZAMP was not supposed to have been given this official letter at all!"

She recalls that "the correspondence between the two government bodies, the Ministry of Finance and the SIPO, according to which each conducts the inspection of HDS-ZAMP within its area of responsibility, should not be available to HDS-ZAMP, especially if one of the government institutions has expressed its doubts about operations of the association in question and requested the verification of their suspicions by another state institution."

## "I was bribed!"

In her petition to the Ministry of Finance, Vesna Stilin also expresses concerns about the possible corruption of the staff of the SIPO. She describes one example of this. In June 2006, during the visit of a Macedonian delegation to the SIPO in connection with HDS-ZAMP, in response to a question from the head of the Macedonian delegation Olga Trajkovska to the sole Office inspector asking "how was her cooperation with ZAMP", the SIPO official gave the following cynical reply:

"Excellent, I was bribed and we have great cooperation!", the petition states.

Vesna Stilin noted that this statement was uttered in front of several members of the Macedonian and Croatian delegations, so she informed the Director General of SIPO [*i.e. Topić*] about it, as well as the State Attorney's Office and Prime Minister Jadranka Kosor. Despite the fact that she has written on more than one occasion to the Ministry of Finance, the State Attorney's Office, President Josipović and Prime Minister Milanović, Vesna Stilin has received no response to her letters.

Željko Topić remains in office as Director General of the SIPO despite the fact that he was appointed as part of the HDZ contingent [*i.e. under the previous HDZ government of Ivo Sanader*], while Romana Matanovac Vučković has left her position at the SIPO in the meantime. Today she works as assistant professor at the Faculty of Law in Zagreb at the Department headed by Tatjana Josipović, the wife of the Croatian President.



REPUBLIKA HRVATSKA  
DRŽAVNI ZAVOD ZA INTELEKTUALNO VLASNIŠTVO

Zagreb, 22. ožujka 2012.

PRIOPĆENJE ZA JAVNOST

**Original Croatian text:** *Priopćenje za javnost*

[http://www.dziv.hr/files/File/novosti/Priopcenje\\_za\\_javnost\\_22032012.pdf](http://www.dziv.hr/files/File/novosti/Priopcenje_za_javnost_22032012.pdf)



REPUBLIC OF CROATIA  
**STATE INTELLECTUAL PROPERTY OFFICE**

Zagreb, 22 March 2012

## **PRESS RELEASE**

Following the publication on the Internet portal Index.hr of articles which have systematically fabricated allegations about supposedly illegal dealings within the system for the collective management of copyright and related rights in Croatia and which have attempted to present the public with an image of the existence of corruption and a conflict of interests, the State Intellectual Property Office (SIPO) dismisses these allegations and insinuations in their entirety as completely unfounded.

The allegations which have been raised are based not on facts but exclusively on an arbitrary interpretation and misrepresentation of information. The system for the exercise of copyright and related rights in Croatia operates in conformity with international standards in the field and it is fully harmonised with Community *acquis* and the best practice of the European Union. At the same time, the system is provided with various control mechanisms which ensure a completely independent monitoring of the legitimacy of all business operations.

Ms Vesna Stilin has been leading a personal campaign against the DZIV since 1998, driven exclusively by her own interests and ambitions, depicting it as an alleged struggle against irregularities in the operation of the Office. She was recently joined by lobby groups who see their business interests in ignoring copyright and related rights and even call into question the decisions of the highest judicial authorities in Croatia.

The Office has already made declarations on numerous occasions concerning Ms Stilin's allegations, both to the competent institutions which investigated the aforementioned allegations, as well as to the media.

As on all previous occasions, the SIPO is prepared to submit to all competent institutions all facts and documents from which they can verify that the accusations and insinuations are unfounded in their entirety.

*Original Croatian text: OLAF se bavi Željkom Topićem*

<http://tjedno.com/index.php/arhiva/960-olaf-se-bavi-eljkom-topiem>

## OLAF TAKES AN INTEREST IN ŽELJKO TOPIĆ



*Numerous irregularities are alleged to have taken place at the State Intellectual Property Office.*

**Text:** Franjo Dobrović

**Date:** 31 March 2012

In the past few weeks an increased nervousness has been observed among certain employees of the State Intellectual Property Office [Croatian: DZIV / Državni zavod za intelektualno vlasništvo]. For example, the secretary of the Director-General Željko Topić, Ms. Suzana Žeželj, announced her departure from this state agency rather unexpectedly. What exactly her next career move is going to be is, as yet, unknown, and in the meantime we can only speculate as to whether she intends to join the staff of the Authority for Combating Corruption and Organised Crime [Croatian: USKOK] or has perhaps decided to become a “penitent” with a prepared written confession\* in her pocket. If there is any truth to the allegations concerning irregularities at the DZIV which are attributed to its Director Željko Topić, it is self-evident that the aforementioned secretary, Ms. Žeželj, is a likely candidate for investigation - in view of the fact that all documents and decisions of the Director-General passed through her hands. Not to mention phone calls, written communications and verbal agreements ...

Particularly amusing is the fact that, a few years ago, a similar institution of an EU member state, equivalent to our DZIV but located in the Federal Republic of Germany, namely the German Patent and Trademark Office (DPMA), transferred several tens of thousands of Euros as financial assistance to Croatia. This money was intended, as part of a programme of international cooperation, to assist with the consolidation of documentation and automation at the DZIV. However, it appears that the transferred funds ended up in the private bank account of the Director-General. What exactly his private bank account details were doing in the official correspondence and documentation of the DZIV and whether this oversight has been corrected in the meantime remains unclear.

Unofficial and independent sources within the DZIV believe that a certain EU institution known by the acronym OLAF may take an interest in the case. This case is eerily reminiscent of that of Robert Ježić, who, in criminal proceedings relating to the "Sanader - INA" affair, was alleged to have illicitly received funds, which are still lying untouched in the bank account of that esteemed businessman and skipper from Rijeka. \*\*

## **SUICIDE OF AN EMPLOYEE**

Even the trade union which represents public officials and servants of the Republic of Croatia [Croatian: *SDLSN - Sindikat javnih službenika i zaposlenika*] appears to have made some new findings. It is to be expected that the trade union, acting in its capacity as an official institution, will soon initiate further criminal charges against Mr. Topić.

Having regard to the suicide of a DZIV-employee which apparently stands in a direct and causal connection to the treatment of DZIV-employees by the Director-General - it is possible that well over a hundred pages may be needed to document the charges to be raised in relation to these matters.

## **INVOLVED IN EVERYTHING: MINISTER JOVANOVIĆ**

According to unofficial sources at the Ministry of Science, Education and Sports which is headed by Minister Željko Jovanović and responsible for the actions and the oversight of the DZIV, the voluntary retreat of the Director-General to some "fall-back position" is now expected. However, those including first and foremost Minister Jovanović, who are under the impression that the Director-General was acting alone in relation to all of the irregularities of which he has been accused are completely deluded. Any police and judicial action aimed at neutralising this official "pest", will also have to include within its scope all of those associated with him.

This is especially true of those who in a "well-orchestrated action" were parachuted from the so-called HDS-ZAMP into the DZIV, in order to enjoy a more relaxed and less stressful way of life at the expense of the state budget.

According to our sources, in addition to the Director-General of the DZIV, the following persons could come under observation by the competent authorities and be the target of preliminary investigations: Romana Matanovac Vučković, Ana Marinković Rački, Višnja Kuzmanić, Jasmina Dervović and others.

It is noted in conclusion that Romana Matanovac Vučković was appointed a few days ago by the government of the Republic of Croatia for a period of six months to the position of Deputy Director at the DZIV which means that she is firmly seated in the saddle there.

The DZIV, however, is only the scene of the crime. It seems that the trail leading to the guilty parties heads towards ZAMP and from there onwards to much more exclusive and interesting political pastures.

### **Notes:**

\* A "prepared written confession" (Croatian: *oprosnica*) is a new colloquial term referring to the practice according to which the state prosecutor and USKOK may decide not to press charges against a witness whose statement contributes to the exposure of criminal activity, for example, if the statement leads to the exposure of the people at the top of a criminal pyramid.

\*\* For more details see:

<http://daily.tportal.hr/181156/Jezic-Sanader-wanted-to-use-my-bank-accounts-to-receive-MOL-bribe.html>



**Original Croatian text:** *Vesna Stilin: Ravnatelj DZIV-a Topić me oklevetao i prevario*

<http://www.index.hr/vijesti/clanak/vesna-stilin-ravnatelj-dziva-topic-me-oklevetao-i-prevario/609228.aspx>

# Vesna Stilin: The SIPO Director General Topić libelled and defrauded me

11 April 2012

Following the publication of the article entitled *“Exclusive: The whistle-blower who keeps on drawing attention to corruption in the management of ZAMP requests the government to review the case”* which appeared on the internet portal *Index.hr*, as well as the “Press Release” issued by the Croatian State Intellectual Property Office (SIPO) on its website (under the “News and Information section”), both of which were published on 22 March 2012 and were also copied by some other portals and which contained certain inaccuracies, I hereby request you to publish the following correction with the aim of providing the public with complete and objective information and pursuant to the provisions of Article 40 of the Media Act (Official Gazette of the Republic of Croatia “Narodne novine” no. 59/04).

As a matter of fact, my position as an Assistant Director of the Department for Copyright and Related Rights at the SIPO, which I held from 2004 to 2008, was terminated in 2008 not because I was a “whistleblower”, but because, in my opinion, the Director General of the SIPO, Željko Topić, regarded me as a rival. Moreover, I was not the chairperson of the Committee of Experts (for royalty payments in the field of Copyright and Related Rights) because in accordance with the official statement by the Croatian Government and Article 164 of the Copyright and Related Rights Act no-one working in the state administration is permitted to be appointed to this Committee (thus, neither Romana Matanovac Vučković, who served there from 2005 to 2008 while also holding the position of Deputy Director of the SIPO, nor the sole SIPO official responsible for Copyright and Related Rights serving from 2010 to this day, were lawfully entitled to hold such a position).

The “Press Release” issued by the Director General, Željko Topić, included a number of false and misleading statements.

The first of these is the allegation that I was *“conducting a personal campaign against the SIPO motivated exclusively by self-interest and ambition, depicting it as a purported struggle against irregularities in the dealings of the Office”*, and that I had been *“recently joined by lobby groups who see their business interests in the disregard of copyright and related rights ...”*



In this regard the Director General omitted to mention a number of salient facts: in particular, that in 2008 he had unlawfully abolished the SIPO department responsible for Copyright and Related Rights and, consequently, my position of employment; that he had issued defamatory statements about me to the competent Ministry of Science and to the Croatian Government while concealing this from me; and that he had ordered my office to be vacated during my approved annual leave so that upon arriving back from leave I discovered that I had no position to return to having been retroactively relieved of my duties (!) by the Government as a result of Mr. Topić's initiative.

The explanation given in the official "Decision" was that due to organisational changes in the SIPO the Department for Copyright and Related Rights had been dissolved and that consequently my position no longer existed. The then Croatian Government which was responsible for confirming the structure of state administration bodies, including the SIPO, never ordered the inspectors of the Ministry of Public Administration to investigate the damage that the Director General of the SIPO had caused in the field of Copyright and Related Rights by this unlawful procedure despite the fact that I had expressly requested such an investigation. Moreover, my dismissal was contrary to the prescribed statutory procedure which was used to relieve other Assistant Directors of their duties which meant that, in comparison to others, I was subjected to discriminatory treatment.

I subsequently discovered by chance that an additional memorandum concerning my dismissal and which was replete with false statements had been sent by the Director General to the Croatian Government as a result of which I initiated criminal proceedings against him for libel. In the course of these proceedings the Director General attempted to lay the blame for my dismissal on the former Croatian Prime Minister, Ivo Sanader, stating that it was a matter for the Prime Minister's discretion over which the Director General of the SIPO had no influence ! But had the then Prime Minister not been furnished with defamatory statements about me by the Director General of the SIPO - statements which were not subject to any verification by the competent Ministry of Science or by the Croatian Government because Mr. Topić had been giving a "kickback" to the then Minister of Science during the preceding three years (providing official funds for the use of an Audi 6 by the Minister to the tune of approximately 500.000 HRK !) - why would he have relieved me of my duties, contrary to the dismissal procedure which had been followed in the case of other Assistant Directors?

The former Deputy Director Romana Matanovac Vučković gave false evidence in the aforementioned libel proceedings in April 2011. In my opinion, her testimony was motivated by the fact that for many years she was in receipt of income from four separate sources: three from within the SIPO and one from the Faculty of Law [ *at the University of Zagreb*].



I naturally have an interest in bringing closure to this case which concerns the unlawful, fraudulent and discriminatory termination of my employment and, moreover, to ensure that the public is presented with the truth due to the failure of the state's supervisory apparatus to operate in conformity with statutory obligations. This case, which is a source of disgrace for the state administration, has also gained attention in international professional circles concerned with public lending rights, rights which are of importance for writers and for which I had sole responsibility within the SIPO.

I believe that the motivation underlying Mr. Topić's actions in defaming me and instigating my unlawful ejection from the SIPO during a period of approved annual leave lay in his fears that he could (and should) have been removed from office at the beginning of 2008, after SIPO employees had become aware of a number of unlawful actions on his part.

The Director General's unlawful actions concerning financial and employment law matters came to light at the beginning of 2008 following a supervisory inspection by the Ministry of Finance and the Ministry of Public Administration, in addition to his concealment of criminal acts committed by the first Director General of the SIPO [*i.e. Topic's predecessor, Nikola Kopčić*] and the revelation that he was making monthly payments to the competent minister, thereby effectively "purchasing" his second term of office as Director General (the competent minister proposes the appointment/dismissal of the Director General of the SIPO to the Croatian Government). The former Croatian Government subsequently requested the Ministry of Economy, Labour and Entrepreneurship to carry out a thorough investigation of the above matters and to forward a copy of the response to me which I never received. This case forms the subject of two applications to the European Court of Human Rights in Strasbourg: one relating to Topić's appointment as SIPO Director General and the other relating to my employment contract.

The Director General's reference to my "ambition" relates to my candidature for the post of Director General which was submitted in 2008 after he had abolished my Department and my official position (after 12 years, without any valid explanation and contrary to his own announcements to the EU about the need to increase the number of employees in the field of Copyright and Related Rights within the SIPO, and likewise contrary to the recommendations of independent EU experts which had also stated that the number of employees in this field needed to be increased), and following the revelations concerning the aforementioned unlawful actions on his part. In the light of such an exposition of the facts, the true relationship between cause and effect becomes self-evident.

In my opinion, the emergence of "lobby groups", which I learned about following the publication of the article by Index, is indicative of a wider public dissatisfaction and the need to make amendments/addendums to the Copyright and Related Rights Act which has been in force for 9 years in the course of which certain problems have

been noted in its application. The need for such reform was hinted at in a statement made by the SIPO in 2005 in a letter addressed to the Ministry of Finance according to which the Committee of Experts was supposed to give an opinion about the shortcomings of the aforementioned Act but in respect of which there was never any follow-through.

In his “Press Release”, the Director General also stated incorrectly that *“the Office has already made innumerable declarations with regard to Ms Stilin's allegations, both to the competent institutions that inspected the said statements, as well as to the media”*. On 20 March 2012, I received a “Memorandum” - a document sent by the Ministry of Economy, Labour and Entrepreneurship (MGRP), the government department previously competent for SIPO activities, to the newly competent Ministry of Science, Education and Sport (MZOS) - from which it was apparent that during its term of competence (from 13 March 2008 to 22 December 2011) the MGRP had not completed any kind of inspection (neither administrative nor budgetary) in relation to the SIPO's activities.

Apart from this, the first letter which I received from the Director General - at the same time as the Croatian Government and the MGRP - was dated three and a half years subsequent to my dismissal (31 August 2011), so that all the talk about innumerable declarations by the SIPO, which I had never seen and which concern my case - the Croatian Government requested in its memoranda that the replies be forwarded to me as well - points to a continuous saga of manipulation and dissemination of falsehoods on the part of the Director General.

Finally, with regard to the Director General's statement that *“as in all previous situations, the SIPO is prepared to submit to all competent institutions all the facts and documents from which they can verify the unfounded nature of all allegations and insinuations”*, the circumstances under which there was never any situation of verification/inspection by the MGRP in relation to the SIPO during the previous 4-year period, as confirmed by the MGRP itself in the aforementioned memorandum, suggest the liability, specifically the criminal liability, of the Director General of the SIPO (due to abuse of official position and authority, corruption and other offences according to Articles 337, 348 ... of the Criminal Code – Official Gazette of the Republic of Croatia 110/97, 6...) along with all those who failed to ensure the proper supervision of the SIPO in accordance with statutory obligations (negligent performance of official duty according to Article 339 of the Criminal Code).

Building democracy and establishing the rule of law presupposes that the statutory provisions apply to everyone.

***Pursuant to Article 41 of the Media Act, I request this correction to be published in the same section, with the same font size of the text and the heading, and also that the correction be marked and linked to the information that it refers to.***



**Original Croatian text:**

*Nagrada ga Pantovčak: Umjesto progona, ravnatelj Zavoda koji nadzire ZAMP promoviran!*

<http://www.index.hr/vijesti/clanak/nagrada-ga-pantovcak-umjesto-progona-ravnatelj-zavoda-koji-nadzire-zamp-promoviran/608936.aspx>

# **The Pantovčak\* rewarded him: Instead of facing prosecution, the Director of the Office responsible for monitoring ZAMP was promoted!**

[\* **Note:** *Pantovčak* = the Office of the Croatian President]

*Author: Ilko Ćimić*

*Date: 10 April 2012*

The State Intellectual Property Office (SIPO) is the administrative body which is responsible for monitoring the operations of the Croatian Composers' Society (HDS) and, likewise, its professional royalty collecting service ZAMP. However, the recent handover of responsibility for the supervision of the SIPO from the Ministry of the Economy to the Ministry of Science has revealed that for years the operations of that Office have not been subject to any proper supervision.

The fact is that until December last year, the government department responsible for intellectual property rights - and thus in charge of the supervision of the SIPO - was the Ministry of the Economy, Labor and Entrepreneurship. However, following the formation of the new Government [*under Prime Minister Zoran Milanović*], this competence was transferred to the Ministry of Science, Education and Sports led by Željko Jovanović.

## **The Office responsible for monitoring ZAMP was without any oversight itself**

As "Index" learned, a meeting was held last month at the Ministry of Economy. In addition to representatives of the two aforementioned Ministries, this meeting was also attended by a former employee of the SIPO, Vesna Stilin, who once again, on the occasion of the transfer of competence, endeavoured to draw attention to the many irregularities in the operations of the SIPO, in particular concerning the actions of its Director, and to remind the other participants of the circumstances of her case in which she was dismissed from the position of Assistant Director for Copyright and Related Rights at the SIPO.

The meeting only served to confirm that for years now, the Office has effectively been under the autocratic rule of Mr. Topić and a small clique of his "minions". The former government appears to have turned a blind eye to everything going on at the Office.



We would like to remind our readers that the highly controversial SIPO Director, Mr. Željko Topić, previously replied to a query from the Ministry of Finance as to whether certain business operations of ZAMP had in fact been carried out by a private company Emporion. At that time, Topić claimed that everything had been done by the book.

However, according to the latest document which "Index" is in possession of, it is clear that the Government, whether intentionally or not, has for years avoided any involvement with what was going on at the SIPO and never bothered to conduct an administrative audit of SIPO's work and operations.

Instead of looking into the "ZAMP case" and investigating a series of charges against Mr. Topić, the official SIPO website published a news item reporting that Mr. Topić had been appointed to the position of Vice-President of the European Patent Office, and that he was leaving the SIPO! It would appear that Mr. Topić can thank "Croatian diplomacy" for his promotion which has been mostly orchestrated - as you might have already guessed - by the President's office.

## **A new car for the minister**

But let's get back to the handover. The official minutes of the meeting confirm that no member of the HDZ Government responded adequately to the various allegations of bribery, embezzlement of budgetary funds, irregularities concerning the internal organization of SIPO or the wrongful dismissal of Vesna Stilin.

The meeting was attended by Sandro Mustafagić and Darinka Vedrina from the Ministry of Economy and Lean Salamunić Džaja from the Ministry of Science, Education and Sports.

Ms. Stilin once again drew the attention of the representatives of the two Ministries to irregularities in the internal organization of the SIPO, implemented in a covert manner by the SIPO Director [*i.e.* Topić], and the inadequate response of the Ministry of Science on the occasion of her dismissal. Ms. Stilin was dismissed from her duties in 2008. At that time, the Ministry of Science, led by Mr. Dragan Primorac, was responsible for the SIPO. According to Ms. Stilin, her dismissal was carried out with the approval of the Ministry of Science because the SIPO director Mr. Topić was using funds from the SIPO budget to pay for a new Audi 6 for the Ministry of Science which was used by the Minister Primorac.

Topić was paying some 20 thousand HRK to the Ministry of Science every month. At the same time, it was the responsibility of that particular Ministry to propose to the Government the appointment and the dismissal of the SIPO Director. Under such circumstances, transactions of this kind effectively constitute the giving and receiving of bribes.

## **Embezzlement of budgetary funds, stealing computers and favouritism**

The competent Ministries have never specifically addressed the fact that an inspection carried out by the Ministry of Finance in 2008 identified financial wrongdoings on the part of the SIPO Director, Mr. Topić. A budgetary inspection at that time found that he first tried to embezzle 7.5 million HRK and then 9.7 million HRK. Under threat of foreclosure, the SIPO was required to make an immediate reimbursement of these funds to the State budget account. Sanctions were never imposed for these breaches of the regulations, although the Budget Law specifically prescribes what is to be done in such cases.



Neither was anything ever done about the fact that, whether intentionally or not, Mr. Topić effectively colluded in the cover-up of a criminal act by his predecessor, the first SIPO Director Mr. Nikola Kopčić, namely the theft of a computer from the SIPO. Furthermore, Mr. Topić never adopted the Regulation on Protection of Classified Information, which should have been implemented at a state institution such as the SIPO from the very beginning. The former SIPO Director [*i.e. Kopčić*] had at the same time been registered as a professional representative with the SIPO contrary to the applicable official regulations and the computer was a key piece of evidence that he had access to the official SIPO databases and, thus, unauthorised access to classified information. However, following the disappearance of the computer, no action was taken.

In this way, over a period of years FORINPRO Ltd., a private company, owned by the former SIPO Director, Mr. Nikola Kopčić, managed to avoid paying the costs of searches in the aforementioned SIPO databases thereby causing financial damage to the SIPO and, likewise, to the State budget. Mr. Topić did nothing until a year and a half after the event and by then it was too late for the police to trace the perpetrators of the theft, despite the 38 cameras and two security guards at the entrance to the SIPO.

Topić was also under obligation as a matter of official duty to initiate administrative proceedings to revoke the registration of FORINPRO in the SIPO Register because the owner of the company and former SIPO Director, Mr. Kopčić had been indicted and sentenced in consequence of the disputed registration which amounted to a criminal offence. Topić never took any action to revoke the registration despite a written reminder and a request from two members of the executive committee of the Croatian branch of the International Society for the Protection of Industrial Property (AIPPI).

Although these matters, supported by relevant documentation, have managed to find their way into public awareness, they have for the most part been ignored by the competent official authorities.

## **The circumstances of Stilin's dismissal**

An issue of particular significance here is the manner in which Vesna Stilin was dismissed from SIPO.

Stilin's dismissal which was issued with retroactive effect from 10 April 2008, was delivered to her on 24 April. During the period from 14 to 18 April, she was on annual leave which had been previously approved by Topić. Stilin had never received any prior notification of his intention to dismiss her.

As confirmed by official records, during the period when she was on leave Topić ordered all of her effects, including those in locked cabinets, to be removed from her office and he allocated a room at the Ministry of Economy for her use, so that upon arriving back from 'holiday' she no longer had any office to return to [*at the SIPO*].

According to the minutes of the meeting held at the Ministry of Economy:

*"After receiving the decision concerning her dismissal, in May 2008 Ms. Stilin filed an appeal with the Administrative Court which, in September 2008, decided that the Government was entitled to make a discretionary decision. However, it omitted to examine the question as to whether when taking its decision the Government had relied upon the relevant legal provisions which would have given it the right to make such a discretionary decision and which it had not invoked despite the*



*obligation to do so; and why there was no mention of other relevant reasons and circumstances, such as, why other Assistant Directors, who, in accordance with the decision of Mr. Topić in January 2008 received their mandates from the Government, and like Ms. Stilin, were dismissed by the Government but much later than her, i.e. following the enactment of the Ordinance on the Internal Order of the SIPO which included the relevant classification of jobs, whereas Ms. Stilin was dismissed after the adoption of the Regulation on the Internal Organisation of the SIPO and thus contrary to the prescribed procedure. The Croatian Constitutional Court does not, as a rule, examine whether the previous administrative instances and courts have established the facts of the case correctly and completely. Such a practice was adopted in this case, which is why Ms. Stilin filed a complaint with the European Court of Human Rights".*

## **Neither Sanader nor Kosor**

As we have also learned, Stilin only discovered later on that the SIPO Director, Mr. Topić, had sent an additional submission concerning her dismissal to the Government. This submission contained a series of unfounded allegations about her, in particular in relation to the Public Lending Right, a significant new right for writers, which was her area of special expertise at the SIPO. Topić kept this submission secret, and Ms. Stilin only received a copy of it from the Croatian Government by chance whereupon she initiated criminal proceedings for defamation against Topić which are still ongoing.

In April 2009, Ms. Stilin sent a request to the Government asking for the annulment of the decision to dismiss her, following which Mr. Sanader and his successor as Prime Minister, Jadranka Kosor, requested the Ministry of the Economy to solve the problem with the SIPO Director, Mr. Topić, on three separate occasions. However, Ministry of Economy has so far failed to respond, and each time they indicated they were awaiting the decision of the Constitutional Court, which, according to Stilin, related to an entirely different matter.

The lawsuit originally filed with the Administrative Court in May 2008 which then went to the Constitutional Court whose decision the Ministry of the Economy claimed to be waiting for, is now before the European Court of Human Rights in Strasbourg and is a completely separate case from Stilin's request for the annulment of her dismissal.

According to the minutes of the meeting:

*"Stilin recalled that she also filed a request for mediation with the Municipal State Attorney's Office. This is a step preceding a civil lawsuit, and was pursued because in the three years following the dismissal, the Ministry of the Economy failed to conduct an administrative audit of the SIPO as confirmed in writing by the Ministry in November 2010 and in August 2011."*

**Original Croatian text:** *Protiv Topića se vodi šest postupaka*

<http://www.tjedno.hr/index.php/categoryblog/998-protiv-topia-se-vodi-estpostupaka>

## Proceedings pending against Topić in six cases

*Date:* 11 April 2012

*Author:* Franjo Dobrović



*Croatia is faced with an international scandal*

The announcement on the official website of the State Intellectual Property Office (SIPO) of the Republic of Croatia that Željko Topić has been appointed as of 1 May 2012 to a post at the European Patent Office (EPO) in Munich, could lead to a disgrace and a scandal - not only for Mr. Topić himself, but also for the Republic of Croatia. In such a law-abiding country as Germany it may prove difficult to conceal the criminal proceedings already pending against Mr. Topić - although he himself appears to have managed to conceal details of these affairs from the EPO and from the international professional public so far.

According to our information, there is also an appeal pending before the European Court of Human Rights in Strasbourg, which includes mention of Mr. Topić's alleged bribery of the former education minister in the government of the corrupt Ivo Sanader. Currently there are criminal proceedings pending against Željko Topić in six cases that are in various stages of processing to which some civil lawsuits against him must also be added.

### ***Intellectual criminal***

In the documentation accompanying the file before the European Court of Human Rights in Strasbourg, it is alleged that Željko Topić literally "purchased" his position as SIPO Director, paying the then Minister of Education Dragan Primorac nearly HRK 500,000. This is also well known to the current government.

In January 2009, the then government of the Republic of Croatia requested an explanation and a review on the part of the former Ministry of Economy, Labour and Entrepreneurship (*Croatian: MGRP*) concerning the allegations of bribery and other illegal acts by Mr. Topić. However, the MGRP never complied with the request. Had the then government and monitoring system been functioning properly, Željko Topić should already have been replaced in 2008 - following the exposure as a result of the state inspection of his violations of financial and labor laws, the cover-up of criminal offences by the previous SIPO Director-General, the payment of bribes and other matters, reflected in numerous criminal complaints. According to our information, even the Bishop of Banja Luka, Franjo Komarić, lobbied the Cabinet of Ivo Sanader in 2008 on behalf of this esteemed "intellectual criminal" for a renewal of his mandate as SIPO Director-General.

## ***Interesting spicy stories***

We are further informed that a confidential urgent memorandum with all the juicy details on the "Topić Case" including the risk of a possible international scandal at the expense of the Republic of Croatia has been lying for a number of days now on the desks of the Prime Minister of the Republic of Croatia, the first deputy prime minister, the deputy prime minister Mimica and other members of the Government of the Republic of Croatia. However, there has been no official response so far, either from this quarter or from the government department responsible for the SIPO headed by Minister Željko Jovanović. The only information issued by the Croatian government so far has been a brief notification referring to the appointment of the Deputy Director, Liljana Kuterovac as acting SIPO Director-General for a period of six months. This appointment has proven to be questionable, as the newly appointed Director-General is a graduate in electrical engineering, whereas the post actually requires a person with legal qualifications.

Additionally, in 2008 the then Director-General, Mr. Topić, carried out a restructuring of the SIPO, against the recommendations of the EU and contrary to official undertakings given by the SIPO to the EU in the framework of the CARDS-programme, by effectively abolishing the department dealing with authors' and similar rights. Intellectual property is divided into two sectors: industrial property, an area in which over a hundred people work in the SIPO, while only a single official is now responsible for the other fundamental area - authors' and related rights. In view of various criminal complaints and other proceedings against Željko Topić there is reason to suspect that this matter constitutes a joint offence in the form of abuse of office and power pursuant to Article 333 of the Criminal Code of the Republic of Croatia. There are at least three persons who appear to be involved here, namely the SIPO Director-General, Željko Topić, his former deputy Romana Matanovac Vuckovic (who was previously active in the Association of Composers ZAMP which she failed to publicly disclose) and her best friend Tajana Tomic.

On 14 March 2012, the "Intelektiv" Conference on Intellectual Property organized by the American Chamber of Commerce (AmChamCroatia) took place in the Forum Convention Centre Zagreb. The main sponsor of the "Intelektiv" Conference on Intellectual Property was the Croatian Composers' Union (Croatian HDS ZAMP). Additional information about this "interesting" case can be accessed on the official website: [www.intelektiv.com](http://www.intelektiv.com).

Although it had been announced in the official programme of the conference that the SIPO Director-General, Željko Topić, would give a talk, to the general astonishment of those present he failed to appear as scheduled. Instead - whether by coincidence or not - Mr. Ivan Mijatovic, Mag. Iur., who was presented as a Chief Police Inspector, appeared as a speaker and representative of the Ministry of the Interior. Ivan Mijatovic has been working at the Ministry since 1993, initially assigned to the Police Headquarters in Zagreb where he was responsible for dealing with the infringement of intellectual property rights. From 2008 onwards he has held the post of Chief Police Inspector of the police department which deals with white-collar criminality and corruption, where his tasks include monitoring the violation of intellectual property rights and computer criminality. Perhaps Mr. Mijatovic from the Ministry of the Interior could have explained to the Prime Minister in a few words who Željko Topić really is and what his appointment to an international organization like the EPO means at a time when Croatia is subject to EU monitoring in relation to its legal system – with the aim of determining how and by whom his appointment was facilitated, particularly in view of the series of very dangerous and serious criminal charges tailing him from behind and of which the law enforcement agencies do not yet appear to have caught wind.

In view of the fact that the EU, as well as the international media, are following the matter with great attention, it is to be expected that Mr. Topić will be subject to particular scrutiny by the media upon his arrival at the EPO in Munich as the European and the German public learn at first-hand who exactly their new guest is.

**Original Croatian text:**

Index doznaje – Jovanović istražuje DZIV: Gdje je milijun kuna, tko se vozio u (pre)skupim automobilima?  
<http://www.index.hr/vijesti/clanak/index-doznaje--jovanovic-istrazuje-dziv-gdje-je-milijun-kuna-tko-se-vozio-u-preskupim-automobilima/611883.aspx>

# Index reveals – Jovanović investigates the SIPO: Where did the million kuna go? Who was driving the (too) expensive cars?



*Željko Jovanović, Minister of Science*

**Author:** I. Čimić

**Date:** 26 April 2012

Index is in a position to reveal that Željko Jovanović, the Minister of Science, Education and Sports, recently sent a request to the Ministry of Finance for a budgetary audit of the State Intellectual Property Office (SIPO), for the period from 1 March 2008 to 22 December 2012 in order to look into a series of allegations about the actions of the controversial SIPO Director, Mr. Željko Topić.

The Ministry of Science also found a number of irregularities during their investigation of SIPO's operations and has requested the assistance of the State Inspectorate and the Labour Inspection!

While the Ministry was in the process of investigating the actions of the controversial Director against whom criminal proceedings are pending before the Zagreb County Court, SIPO officially announced that he was stepping down from the position of SIPO Director to take up the position of Vice-President at the European Patent Office based in Munich!

## **SIPO was responsible for the oversight of ZAMP**

For the moment, the question seems to be how much the European institutions really know about Mr. Topić's track-record as SIPO Director and whether or not they were informed of the charges pending against him. It would also be interesting to know to what extent the credit for his appointment can be attributed to Croatian diplomatic lobbying conducted by the Pantovčak [*i.e. the Office of the Croatian President*].

We wish to remind our readers that the SIPO is the official institution responsible for the oversight of the Croatian Composers' Society and its professional service ZAMP. However, it was recently established during the handover to the new government that for years nobody has properly supervised the operations of the SIPO itself. The role of the Director Topić is of key importance here because it was he who responded to a query from the Ministry of Finance as to whether the business operations of ZAMP were actually carried out by a private company Emporion. At the time, Topić claimed that everything was done in accordance with the law.

## **The Ministry will specifically check the diploma of Director Topić**

According to a document in the possession of Index - which can be seen in the picture gallery - Jovanović's Ministry carried out its own investigation into the work of SIPO to follow up on some of the allegations against the controversial Director.

The document itself does not contain any spectacular revelations, but it raises a number of questions about Topić's management of the SIPO as it shows how assistance is being sought from other government agencies such as the State Inspectorate to shed light on Željko Topić's controversial reign as SIPO Director.

Amongst other things, Mr. Jovanović's Ministry questioned whether Topić had the educational qualifications needed to lead the SIPO. It was established that the Office which deals with the protection of industrial property and copyright and related rights is managed by an economist who claims to have graduated from the Faculty of Economics in Banja Luka with a master's degree. Topić sent to the Ministry only a copy of his master's diploma without the date of issue, and such evidence was considered insufficient so the Ministry requested the Faculty in Banja Luka to kindly send "relevant documents and a statement regarding the academic qualifications of Master of Science, Mr. Željko Topić".

## **Disputed payments of around HRK 1m for “unnecessary” work**

The Ministry also investigated allegations concerning the expenditure of around one million kuna, which the SIPO paid for intellectual and personal services. It was discovered that some of the money was paid as compensation for participation in organizing professional examinations for authorized representatives in the field of industrial property rights. The problem is that the candidates only paid 4,000 kuna in fees for these professional examinations whereas the total gross compensation paid to the chairman, deputy secretaries and members of the examination committee exceeded the amount that was paid by the candidates.

Another part of the disputed expenditure was on payments for service and copyright contracts which appear not to have been in accordance with the regulations. According to the opinion of Jovanović's Ministry, the amounts paid for translations are also controversial given that this work should have been performed by SIPO employees [*as part of their regular duties*].

## **Sanader approved the purchase of the cars**

The Ministry has also found a series of errors in service contracts and has requested special supervision by the State Inspectorate and Inspectors from the Ministry of Labour.

Concerning the controversial purchase of vehicles, including an Audi A6 TDI Quattro Tiptronic B worth 80,000 EUR and a Mercedes E 280 CDI worth 70,000 EUR, which was also subject to investigation by the Ministry, it was established that Topić had the permission of the Government, headed by Prime Minister Ivo Sanader, for the disputed purchase of these vehicles.

**Original Croatian text:** *Sanaderov kadar Željko Topić, smijenjen na vlastiti zahtjev, dobio još bolji posao*  
<http://www.jutarnji.hr/kazneni-progon-nije-ga-zaustavio--sanaderov-kadar-zeljko-topic--smijenjen-na-vlastiti-zahtjev--dobio-jos-bolji-posao/1024680/>

THE FORMER DIRECTOR-GENERAL OF THE STATE INSTITUTE FOR INTELLECTUAL PROPERTY

## **SANADER'S "APPARATCHIK" ŽELJKO TOPIĆ REWARDED WITH AN EVEN BETTER POSITION AFTER BEING RELIEVED OF HIS OFFICIAL DUTIES AT HIS OWN REQUEST!**



Author: Slavica Lukić

Date: 28.04.2012

**ZAGREB** - Željko Topić, the Director-General of the Croatian State Institute for Intellectual Property (SIPO), was relieved of his official duties by the government yesterday during a closed session - but not on suspicion of having committed a number of illegal acts during the past eight years. On the contrary, he was dismissed at his own request so that he could make himself comfortable in a far more prestigious and better paid position: as a Vice-President of the European Patent Office in Munich where his appointment will run for the next five years.

### **As he was packing his suitcase ...**

While he was packing his suitcase for the journey to Munich, an investigating judge of the Zagreb County Court, Jadranka Mandušić\*, issued a court order for Topić to be heard in relation to an investigation into allegations that he had falsified an official document. The court order was issued by the judge on 3 April in connection with a lawsuit brought against Topić by a former SIPO employee, Zdenko Haluza. More complaints against Topić have been filed with the Croatian State Prosecutor's Office (DORH) and the Bureau for Combating Corruption and Organised Crime (USKOK). These complaints relate to allegations of having committed other crimes at the expense of the SIPO and its employees, and against Croatian citizens who attempted to secure protection of their intellectual property at the SIPO.

The European Patent Organisation (EPO) whose headquarters are situated in Munich with further sub-offices in The Hague, Berlin, and Vienna, is one of Europe's largest intergovernmental institutions with nearly 7,000 employees.

Its mission is to strengthen the cooperation between the EU Member States with regard to the protection of patent rights. In addition to the 27 EU Member States, it also represents the patent interests of a further eleven non-EU states, including Turkey, and it covers a market of about 60 million people.

## Quis custodiet ... ?

When the Administrative Council of the EPO, with the support of the President, Benoît Battistelli, appointed Željko Topić as a Vice-President in March this year, it probably had no idea that the new "guest" arriving in Munich was someone against whom a number of criminal charges and investigations were pending.

We already reported on these matters earlier this year at the beginning of February after we had learned that the new government had decided during a closed session to renew Topić's appointment as SIPO Director-General. The new government approved Topić's re-appointment despite the fact that the Minister responsible for the SIPO, Željko Jovanović, who chaired the Anti-corruption Council during his time in opposition\*\* was well acquainted with the various allegations surrounding Sanader's appointee [*i.e. Topić*].

## Notes:

\* *Županijski sud u Zagrebu - Zagreb County Court*

<http://sudovi.pravosudje.hr/zszg/index.php?linkID=45>

\*\* This refers to Jovanović's previous Chairmanship of the National Council for Monitoring the Enforcement of the Anti-corruption Strategy of Croatian Parliament from 2008 to 2011.

**Original Croatian text:**

Zaključci 7. sjednice Novinarskog vijeća časti, održane 18. rujna 2012 - Željko Topić vs Slavica Lukić  
<http://www.hnd.hr/hr/Zakljucci7sjednice2012/show/66192/>

**16 November 2012**

**Findings of the 7th Session of the Journalists' Ethics Council held on 18 September 2012**

**Željko Topić vs Slavica Lukić**

Request by Željko Topić (submitted by his attorney) to initiate proceedings against Slavica Lukić because of the article  
*"Sanader apparatchik got an even better job in spite of pending court proceedings"*  
which was published in **Jutarnji list** of 28 April 2012.

Those members of the Ethics Council, who might be subject to a conflict of interest were not involved in the deliberation and decision-making.

**Findings:**

The Ethics Council considers that the journalist Slavica Lukić acted in accordance with the Croatian Journalists' Code of Honour\*\* and finds no grounds for the imposition of a reprimand.

**Reasons:**

Željko Topić, the former longtime director of the State Intellectual Property Office (SIPO), requested that the Ethics Council take action against Slavica Lukić under paragraphs 5 and 6 of the Croatian Journalists' Code of Honour and issue a reprimand which would be published in *Novinar* (the professional journal of the Croatian Journalists' Association) and *Jutarnji list*.

He claims that the Code was violated due to the publication of unverified, inaccurate and flawed data and that no verification was requested from Mr. Topić or from the SIPO. Topić rejects the allegations referred to by Slavica Lukić. He says he is not an "apparatchik" who achieved his position due to party affiliation, but that his appointment was based on merit. He states that he did not pay himself and his associates' fees in an illegal manner, and that is not illegal to hold funds in foreign currency accounts of the SIPO.

He claims that there was nothing illegal in a leasing arrangement for the purchase of cars that were used by the SIPO; also it is not against the law that a car acquired at the expense of the SIPO was assigned to the use of the then Minister Primorac, because it was at the discretion of the Government. He rejects the allegation that there were illegal actions involved in the transfer of employees to other positions within the SIPO.

Slavica Lukić in her declaration considers the request (from Topić) to be frivolous, and notes that following a fourth article (of a series), in her opinion, she had only summarized the content of previous articles in which she had drawn attention to a number of actions by Topić that were by their nature corrupt. She notes that the article was based on the reports of official inquiries conducted by the Ministry of Science and the Ministry of Finance, as well as the fact that a number of SIPO employees had initiated judicial proceedings against Mr Topić in respect of which final judgment had not yet been delivered.

The Council finds that the colleague Lukić verified the relevant information with the appropriate official institutions [i.e. the Ministries of Science and Finance], so in that sense she was not under the obligation claimed by Mr. Topić [i.e. to obtain approval from him or from the SIPO]. The tone and style of the article are serious and balanced; there are no insults or muck-raking sensationalism (lit. “*yellow elements*”). This confirms that the article was not written with the intention of defaming anyone, but rather in defence of the public interest.

\* The Croatian Journalists’ Code of Honour

[http://ethicnet.uta.fi/croatia/honour\\_codex\\_of\\_croatian\\_journalists](http://ethicnet.uta.fi/croatia/honour_codex_of_croatian_journalists)

**SOURCE:**

**Hrvatsko Novinarsko Društvo**

*(Croatian Journalists' Association)*

Perkovčeva 2

10 000 Zagreb

E-mail: [hnd@hnd.hr](mailto:hnd@hnd.hr)



REPUBLIKA HRVATSKA  
DRŽAVNI ZAVOD ZA INTELEKTUALNO VLASNIŠTVO

U Zagrebu, 30. travnja 2012.

**PRIOPĆENJE ZA JAVNOST**

**Original Croatian text:** *Priopćenje za javnost*

[http://www.dziv.hr/files/File/novosti/Priopcenje\\_za\\_javnost\\_30042012.pdf](http://www.dziv.hr/files/File/novosti/Priopcenje_za_javnost_30042012.pdf)



**REPUBLIC OF CROATIA**  
**STATE INTELLECTUAL PROPERTY OFFICE**

Zagreb, 30 April 2012

## **PRESS RELEASE**

Following a series of articles in the media, among which *Jutarnji list* and the Internet portal *Index.hr* have been particularly prominent, and in which arbitrary allegations have been levelled in an outrageous manner against the former Director General of the State Intellectual Property Office, Mr Topić, and against the activities of the Office as an institution, the State Intellectual Property Office is publishing the following press release with the aim of objectively and truthfully informing the public and preventing further misrepresentation by the media.

The so-called "affair" relating to Director General Topić is nothing more than the product of unprofessional journalism which, in its search for a sensational story, publishes incomplete information, unverified information and even complete disinformation, to which a completely arbitrary and tendentious interpretation is applied.

The main source of accusations against the Office and against Mr Topić personally is the unprecedented campaign conducted by Ms Vesna Stilin, who was dismissed from service in the Office at the beginning of 1999 by the then Director due to unauthorised absence from duty for a duration of 34 consecutive days. For over 12 years she has been exerting unrelenting pressure on the competent government and judicial authorities in an attempt to realise her own unfounded ambitions and interests while trying to depict the matter as a struggle against illegal activities of the Office. We emphasise that from 1999 until the present day Ms Stilin has instituted dozens of court proceedings against several directors of the Office, the Office as an institution and the Croatian state in which *inter alia* she has claimed huge sums of money which are purportedly owed to her by the Office and the Croatian state. Ms Stilin's arbitrary and malicious allegations concerning irregularities in the Office's operations have, unfortunately, fallen on fruitful soil created by the current atmosphere of public distrust towards state institutions due to the intensified fight against corruption in recent years. In addition to this, arbitrary allegations by malicious individuals driven by questionable motives are published uncritically as facts by an unprofessional media and without any prior verification or objective analysis.

In the context of this unprecedented campaign by Ms Stilin who, on an almost daily basis for the past 4 years, has been filing various absurd submissions, including criminal charges, against Mr Topić and the Office with government and judicial authorities, a report relating to a budgetary inspection of the Office's operations conducted in 2008 has been published. The contents of this report have provided the basis for media misrepresentation concerning alleged financial malpractices at the Office.

The aforementioned report has been interpreted in an arbitrary manner, without any appreciation of its contents and context, which we now elaborate upon with the aim of clarifying this matter.

Due to the monopolistic nature of intellectual property rights and the complex procedures for their protection, and in accordance with generally accepted global standards, it has been prescribed that not only the usual state duties are to be paid in connection with these procedures, but, additionally, fees for granting and maintaining the validity of these rights.

In many countries, pursuant to the terms of international intellectual property agreements which in principle stipulate that the income from procedural fees for the granting and maintenance of such rights be used for the further development of the intellectual property protection system, this income is classified as the "proprietary revenue" of the competent intellectual property office. Such a practice also existed in Croatia from 1991, when the Office was established, until 2007, when the process of establishing the state treasury and the associated systematic regulation of revenue and expenditure in the central government budget led to a re-interpretation of the concept of "proprietary revenue" of government bodies. In other words, prior to 2007 the revenue from fees for intellectual property rights granting and maintenance procedures falling under the Office's responsibility was remitted to a special sub-account of the government budget, from which the Office settled a part of its operating costs directly while unspent funds accumulated in the same sub-account and were visible in the prescribed financial reports of the Office.

That such operations were in conformity with the law is confirmed by an audit report from 2004 in which they were not called into question in any way whatsoever. However, according to the interpretation of the aforementioned budgetary inspection from 2008, the changes that had taken place in the meantime in relation to the definition of "proprietary revenue" of government bodies and in the context of the overall process of introducing a regulated government accounting system, resulted in a situation in which the Office's revenue from fees for procedures for granting and maintaining the validity of intellectual property rights was henceforth to be considered as part of the general revenue of the central government budget. At this point it was requested that the funds which had hitherto been accumulated in the so-called "proprietary revenue" sub-account of the Office should be transferred into the central government budget account and that the planned expenditure from the central government budget for the operating costs of the Office be increased by a corresponding amount. The Office subsequently complied with this request. However, despite the detection of certain accounting irregularities in relation to the consistent management of expenditure between the so-called "proprietary revenue" sub-account and the central government budget account, the disputed budgetary inspection did not reveal any actual misuse of the financial resources.

The Office wishes to point out that the media reports concerning this matter and the allegations made by Ms Stilin systematically omit to mention that all detected irregularities were

subsequently resolved and clarified, and that the competent authorities which had the disputed budgetary inspection report at their disposal evidently did not consider the established irregularities to merit further investigation. In every detailed audit of the operations of any legal entity a certain number of irregularities are almost always detected and the competent authorities subsequently undertake corrective measures depending on the objective gravity of the detected irregularities. It is emphasised that 8 identical copies of the disputed budgetary inspection report were compiled and submitted to the competent authorities in accordance with the applicable regulations on budgetary inspection.

The Office also wishes to draw attention to the misrepresentation concerning a "multi-million amount of fees" which the Director General allegedly paid out to himself and his "cronies". The sum referred to corresponds to approximately 10% of the total amount that was paid out for the regular services of the Office employees over the same period, and it relates to payments made on various grounds to 42 of a total of 104 employees of the Office, including several months of full-time contract employment for a few individuals. It has also been omitted to explain that the only fee which was paid out to Mr Topić was for professional services on the examination committee for certified representatives in proceedings conducted by the Office and which was transparently and legally regulated and paid out in the same manner to all members of the examination committee. With regard to allegations about the fees for the committee members not being fully covered by the examination fees paid by applicants, we would like to point out that prior to the Decision of the Government of the Republic of Croatia in 2011 abolishing compensation due to civil servants for membership of expert committees, such fees paid to civil servants for services provided to expert committees in numerous state administration bodies were **paid in full from the central government budget account**, and that subsequent to the disputed budgetary inspection the Office aligned the examination fees with the level of compensation due to the examination board. The Office would also like to emphasise that in accordance with the results of the Feasibility Study on the Restructuring of the Office into a Self-Financing Organisation, which was carried out by independent experts, it was determined that the central government budget revenues arising from fees for the granting and maintenance procedures for intellectual property rights which were a direct result of the operations of the Office in 2007 and 2008 exceeded the total operating expenditure of the Office by approximately 800,000 HRK.

Concerning the fabricated "affair" about the allegedly illegal procurement of an official Mercedes vehicle and its "concealment" in the Office archives, all unfounded allegations based on malicious anonymous submissions by staff members were publicly refuted by the Office with counter-arguments immediately after their initial publication in 2009, a detail which the media now writing about this matter systematically omits to mention. They also fail to refer to a clear and unambiguous statement in the report of an administrative inspection conducted by the Ministry of Science, Education and Sports **according to which it was established that there had been no irregularities in the procurement and usage of official vehicles at the Office.**

With regard to the aforementioned criminal charges filed against the Director General of the Office, a key fact has been omitted: criminal charges can be filed by anyone, regardless of the merits of the case and the competent authorities are obliged to start investigative proceedings in relation to any criminal charges filed, no matter how unfounded they may prove to be after the investigation has been carried out. With regard to the specific criminal charges referred to here, the Office wishes to draw particular attention to the following facts.

The criminal charges brought by the employee Zdenko Haluza for the alleged forgery of an official document by Mr Topić are based on the date of entry into force of the Regulations on the Internal Organisation of the Office, which was incorrectly stated in the Decision concerning the transfer of Mr Haluza from an abolished position to a new position at the same level of competence and with identical associated rights. Mr Haluza has been trying to challenge the aforementioned transfer without success since 2008 and he refuses to carry out the duties associated with the new position to which he was transferred. After the legality of this transfer and the irrelevance in this regard of the incorrectly stated date were confirmed, Mr Haluza had exhausted the available means of redress in his proceedings against the Decision of the Office and he therefore resorted to the malicious filing of a criminal lawsuit for the forgery of an official document as the only remaining way of challenging the transfer. In the meantime, this lawsuit has been dismissed by the State Attorney's Office. However, under the Croatian Criminal Code, a plaintiff can pursue the proceedings as a private plaintiff after the claim has been dismissed by the State Attorney's Office, which is what Mr Haluza has done. In view of the evident absurdity of the criminal charges, it is more than certain that the outcome of the aforementioned proceedings will be in Mr Topić's favour.

The second criminal charge against Mr Topić "by the employees of the Office" is the one filed by Ms Stilin as a private plaintiff which relates to the allegedly defamatory content of one of several proposals made by Mr Topić to relieve Ms Stilin of her duties as an Assistant Director. The alleged libel relates to a memorandum explaining the unsatisfactory performance of the duties of Assistant Director on the part of Ms Stilin due to which her dismissal from these duties was proposed. The media articles have systematically omitted mention of the fact, which Ms Stilin has confirmed in her public statements, **that in the court proceedings in this criminal case Mr Topić has already been acquitted twice on the basis of two non-binding decisions, [i.e. first instance decisions that are not finally binding]**. Based on previous experience it is certain that Ms Stilin will continue these proceedings until she has exhausted all available legal means, and thereafter by using other forms of pressure.

The third criminal charge is the one filed by Mr Frgačić in the so-called "Lufthansa-Affair". The Office emphasises that it conducts more than 10,000 procedures a year in connection with requests to grant intellectual property rights, a significant part of which are terminated by a decision not to grant the requested right because the prescribed requirements have not been met. There thus exists the inherent possibility that an applicant will be dissatisfied with the decision of the Office no matter how well supported by arguments and based on law it was. The character of the dissatisfied party will determine which legal remedies they rely on to pursue their interests and this does not exclude filing arbitrary criminal charges and making accusations about the alleged corruption of officials.

It is also known to the Office that the obligatory investigative actions are being conducted as prescribed in relation to criminal charges the content of which makes it evident that they are based on malicious accusations originating from the habitual arsenal employed by Ms Stilin in the daily submissions with which she exerts pressure on the government and judicial authorities.

With regard to the so-called ZAMP Affair (Protection of Music Copyright), the Office has already issued a press release and on this occasion emphasises once again that all allegations of irregularities concerning the collective management of these rights are completely unfounded and that this has been recognised in the meantime by a good part of the objectively-minded public.

From the fact that Mr Topić is portrayed by the media in turns either as a confidant of President Josipović or as "Sanader's apparatchik", the absurdity of all speculation about his appointment as Director General being due to some kind of political patronage becomes apparent.

Apart from a year-long break when he worked in the private sector, Mr Topic held various professional and managerial functions in the Office more or less from the time of its establishment until he left the position of Director General to take up his appointment as Vice-President of the European Patent Office. It is evident from this that he was appointed as Director General based solely on professional rather than political considerations. The only person who has invoked party membership in an attempt to secure her own interests has been Ms Stilin who in her numerous absurd accusations against Mr Topić stated *inter alia* that her dismissal was a consequence of his discrimination against her because of her membership of HDZ.

Mr Topić's selection as a Vice-President of the European Patent Office has also been the subject of outrageous misrepresentation by the media. The aforementioned position is awarded solely on merit and it is not a political appointment. Moreover, Mr Topić obtained the position on the basis of a publicly advertised competition for which he applied along with three other candidates. Mr Topić was chosen following the presentation of his candidacy to the Administrative Council of the European Patent Organisation, of which the European Patent Office is the executive organ, and after he had received the votes of a majority of the representatives of the 38 member states during the first round of secret voting on the four candidates, and it was not due to any kind of political lobbying by Croatian diplomacy.

**In conclusion, the Office wishes to express its grave concern about the fact that such extremely unprofessional media manipulation based on malicious accusations from a small number of people obviously driven by questionable motives can cause the reputation of a state institution and its Director to be called into question in such an outrageous manner, despite the notable results achieved by the Office and its professional reputation in the relevant national and international professional circles, which is incontrovertibly confirmed by the official reports of the European Commission, the international awards presented to Mr Topić and his appointment to a high executive function at the European Patent Office based *inter alia* upon the results achieved during his many years as the head of the Office. We particularly regret that the competent institutions have also succumbed to this unprecedented pressure and have subordinated their actions to individual interests rather than objective reasoning based on relevant facts.**

Original Croatian text: *Hrvatski patent za autorska prava*  
<http://www.dw.de/hrvatski-patent-za-autorska-prava/a-16035391>

# ECONOMY

**Date:** 19 June 2012  
**Author:** Gordana Simonović  
**Editor:** Dunja Dragojević  
**Permalink:** <http://dw.de/p/15HXL>

## The Croatian Patent on Copyright

***Why didn't the Copyrights Act in Croatia become operational for writers and other artists, as it did for musicians (through the Protection of Music Copyrights – ZAMP)? This, among other issues, was a topic discussed at the EPO's annual meeting.***

The sixth annual meeting of the European Patent Organisation (EPO) on the co-operation between the signatories to the European Patent Convention was held on 18 and 19 June in Dubrovnik. Croatia is a full member of the EPO, but it is far from protecting the intellectual property system on the same level as in the European Union. Croatia is represented at the EPO by the former director of the State Intellectual Property Office Željko Topić, against whom six criminal charges and several civil lawsuits have been initiated in Croatia, with one case even making it all the way to Strasbourg. The media claim that he had acquired his position with the support of the Pantovčak and Zrinjevac [1], while the Ministry of Science, Education and Sport, whose inspection had established numerous illegalities, remains silent about all this.

## Starting to put things in order

After several years of appeals to introduce a charge for the use of journalistic texts and photographs, the PR, marketing and press-clipping agencies have finally been compelled to start paying for their use. The prominent journalist and long-standing advocate for the protection of these rights, Ivica Grčar, points out that some 300 members of the newly founded association received 520 HRK each based on these rights [2]. "That is not a lot, but we consider this to be the beginning of an introduction of some kind of order into the mechanisms for obtaining our rights", emphasises Grčar.

Within the framework of the initiative "The Right to a Profession of One's Choice", the writer and journalist, Robert Perišić, has requested that the state should provide stronger financial support for writers in order to enable them to pursue their vocation. He has also requested that the right of writers to receive financial compensation for the lending of their books in public libraries should finally become operational. This right was introduced into Croatian law as far back as 2003, but it still has not become operational.

In his explanation of this initiative, writer Edo Popović emphasised how he did not expect the musicians of the Zagreb Philharmonic Orchestra or the actors of the Croatian National Theatre to live off ticket sales for concerts and plays, because "in a culture such as that which exists in Croatia, and especially in such a small market, they would soon starve". However, this is exactly that what is expected of Croatian writers, he said – to live off the income from sold copies of their published books. Since they are not able to do so, in order to secure means for food and utility bills, they are forced to earn money all around, while they engage in literature in their spare time, "as if it was some kind of a hobby for them."

## Different strokes for different folks

Why didn't the Copyrights Act in Croatia become operational for writers and other artists, as it did for composers and performers, through the Protection of Music Copyrights Act (ZAMP)? As a reminder, owners of restaurants and cafés have been protesting against the ZAMP Act for almost a decade, claiming that it is an unjustifiably high parafiscal tax, which is harming their business.

Due to this, a large number of caterers have cancelled their TV and radio subscriptions, and there are increasing demands to alter the regulation according to which all Croatian citizens are obliged to pay tax on blank CDs, USB sticks and computers. These demands gained fresh momentum after the news portal Index.hr had published a series of articles on the “ZAMP affair”, i.e. a conspiracy between politics, lobby groups and the State Intellectual Property Office (DZIV) which was under the direction of Željko Topić for two periods of office, despite the findings of the competent state authorities and charges relating to corruption, illegal activities, violation of labour and social rights, and so forth.

Just a few days after taking up office, the Government of Zoran Milanović approved a third term of office for Topić, who then handed in his notice and in April of this year [*i.e.* 2012] moved to the European Patent Office whose headquarters are in Munich. Enquiries by journalists as to whether the Ministry of Science, Education and Sport had informed the EPO of the criminal proceedings initiated against Topić remained unanswered by the Ministry. However, Minister Željko Jovanović has claimed unofficially that Topić enjoys the protection of President Ivo Josipović.

## **A tangled web of vested interests**

Ilko Ćimić, a journalist of the news portal Index claims that there is a conspiracy between the DZIV, the leaders of ZAMP, the Croatian Composers' Association and a powerful political-legal lobby at whose forefront stands the state leadership itself. "ZAMP and Croatian Composers' Association created a network of vested interests under the protection of President Ivo Josipović and his close friends and associates, whose names not only come up in connection with the ZAMP affair, but also in relation to other affairs".

For example, as the leader of Adratica.net, Marko Vojković is connected to the controversial privatisation of the Split daily newspaper Slobodna Dalmacija [3], while he was involved in the ZAMP affair as the head of the company Emporium, a small company that made deals worth millions by doing business with ZAMP. "It is interesting that Josipović appeared in public with Vojković every time when the media wrote about how the investigation against Vojković was drawing to a close", Ćimić says. When reminded that President Josipović had denied the allegations made by Index, Ćimić retorted that the President had attempted to do so but without success.

For example, Index was able to show that Josipović's claim that he was no longer the Secretary of the Croatian Composers' Association at the time when the deal was closed with Vojković's Emporium was unfounded. In particular, Josipović omitted to disclose that he was at that time a member of the Management Board, a key decision-making body.

Whatever about the various affairs involving institutions and the associated key figures that were supposed to be concerned with copyright protection, the fact remains that the DZIV failed to implement Croatian laws and the recommendations of the EU and the CARDS project relating to the determination and distribution of financial compensation to writers. In 2010, the European Writers' Council (EWC) called on the DZIV to take appropriate action in this regard. However, the DZIV's Department for Copyright and Related Rights has effectively been closed down. While there are over 100 people dealing with matters relating to industrial property, there is only one person in charge of copyright related issues. Against this background, it would be very interesting to hear the EPO's opinion on the subject of Croatian copyright protection.

**Notes:**

- [1] *Pantovčak refers to Presidential Palace. Zrinjevac refers to the area in Zagreb where the most important government Ministeries are located, in particular the Ministry of Foreign Affairs.*
- [2] *520 Kuna is approximately 70 Euro at current exchange rates.  
(1 EUR = ca. 7,5 HRK)*
- [3] *Adriatica.net is the leading online Croatian Travel Agency. „Slobodna Dalmacija“ („Free Dalmatia“) is the main daily newspaper in Dalmatia, which is owned by Europapress Holding Ltd., the leading media company in Croatia and Southeast Europe.*

**SOURCE:** <http://www.dw.de/hrvatski-patent-za-autorska-prava/a-16035391>

Original Croatian text: *Željko Topić lažni magistar?*

<http://tjedno.hr/index.php/arhiva/1228-eljko-topi-lani-magistar>

## DOES ZELJKO TOPIC HAVE A FAKE MASTER'S DEGREE?

*A new scandal concerning the long-time Director of the State Intellectual Property Office*



Željko Topić departed from the SIPO at his own request on 30 April 2012 while the Ministry of Science, Education and Sports was in the process of conducting a supervisory investigation into the operations of the State Intellectual Property Office (SIPO) and in the midst of checking whether he has legal documents supporting his claim to have a masters' degree in economics. His master's thesis was reportedly defended in Banja Luka. In addition to an increasing number of pending criminal charges against him in Croatia, the story of Mr. Topić's as yet unverified master's degree is a special chapter in the murky biography of the long-time SIPO Director.

After his arrival in Zagreb, Željko Topić always claimed to have a postgraduate qualification as a Master of Economic Science and, based on that claimed qualification, he has for many years been drawing legally prescribed salary supplements although, as now seems to be the case, there is no evidence that he has truly earned the right to add this title to his name. After an anonymous letter of denunciation was sent to the Ministry of Science, Education and Sports, the Ministry requested the Faculty of Economics in Banja Luka to send official confirmation concerning the validity of Topić's postgraduate qualifications but to date the requested information has not been received.

The letter of denunciation pointing to the possibility of false claims concerning the master's studies and the postgraduate diploma is published exclusively as an attachment to this article.

## THE RIGHT TO FEES FROM LENDING BOOKS WAS IGNORED

Portal Tjedno has previously written on two separate occasions about numerous questionable actions on the part of Željko Topić. In the context of his various dubious activities it is interesting to note that so far no one appears to have bothered to ask who in the state administration is responsible for the fact that writers in Croatia still do not benefit from the legal right to fees from the public lending of books?

Following the adoption of the Copyright and Related Rights Act 2003, in 2005 the SIPO and its, now former, Director of Željko Topić, produced a document entitled "National Strategy for the Development of the Intellectual Property of the Republic of Croatia 2005-2010" in which the implementation of the public lending right (PLR) was foreseen for the period 2006-2007. That document was approved by the Croatian Government in October 2005. The SIPO was supposed to coordinate the implementation of the measures set out in the document, including the introduction of the above mentioned PLR, in collaboration with the Croatian Writers' Association and the Ministry of Culture, which funds libraries including the National and University Library, as well as the central library facility in the Republic of Croatia.

In addition, under the CARDS 2001 project relating to strengthening intellectual property rights in Croatia entitled "Strategy and Action Plan for the Implementation and Realization of Intellectual Property Rights" which was funded by the European Union and completed in 2005, one of the measures planned by the SIPO related to the implementation of the PLR in Croatia: identification and distribution of financial compensation to writers.

Based on the details about the PLR contained in the above documents and the planned schedule for its introduction in Croatia, a proposal was presented at the European and World Congresses on Public Lending Rights in Budapest and Paris in 2007 to organize the next European PLR Congress, i.e. for 2008, in Croatia with the aim of assisting Croatian writers to obtain a faster and better implementation of the new right.

## **OFFICIAL MERCEDES PURCHASED AT A BARGAIN PRICE**

However, despite being designated as the official coordinators for the aforementioned "National Strategy", the SIPO and its former director Željko Topić completely ignored their obligations in the area of public lending rights and failed to respond in an appropriate manner to the offer of foreign aid. In April 2008, Topić rejected the proposal of the organizers of the PLR Congress on the grounds that Croatia, as the prospective host state, lacked the necessary funds for co-financing the cost of the Congress (i.e. approximately 15,000 EUR). The organizers reacted with disappointment and skepticism to Topić's rejection and decided to re-direct their offer of co-funding towards Bulgarian writers with the result that in September 2008 the European PLR Congress was held in Sofia, rather than in Croatia as originally planned.

At the same time as he rejected the proposal of the PLR Congress organizers due to an alleged lack of funds, Topić was busy approving the use of six vehicles by the SIPO (a Mercedes, three Audis and two Skodas), three of which were brand new vehicles that mainly served to satisfy his personal vanity. In this connection it is worth noting that the costs incurred for one of these vehicles over a period of six months would have been sufficient to cover the co-financing of the Congress which was of such significance because of the support that it would have provided to Croatian writers. Topić also financed the costs of a new Audi 6 which was placed at the disposal of the supervisory Minister of Science (who was responsible for proposing the appointment and dismissal of the SIPO Director to the Government) thereby coming under suspicion of having "bought" his second term of office as SIPO Director for some HRK 500,000, a matter which is the subject of proceedings before the European Court of Human Rights in Strasbourg. As for the new Mercedes, Topic saved this for himself (as he was normally driving in the Audi). After three years of leasing payments from the State budget, he became the owner of the aforementioned vehicle in mid-2010 after paying only a nominal price for it.



# 2013

## List of published items from 2013:

- 1. 30 March 2013 - tjedno.hr - Na Topičevoj diplomi dvije različite godine!**  
(Two different years appear on Topić's diploma!)  
<http://www.tjedno.hr/index.php/categoryblog/2610-na-topievoj-diplomi-dvije-razliite-godine>
- 2. 28 April 2013 - dnevno.hr**  
**Bivši ravnatelj DZIV-a Željko Topić zakinuo je hrvatske književnike za milijune kuna**  
(Croatian writers claim that former DZIV Director Željko Topić cheated them out of millions of kuna)  
<http://www.dnevno.hr/vijesti/hrvatska/85582-bivsi-ravnatelj-dziv-a-zeljko-topic-zakinuo-je-hrvatske-knjizevnike-za-milijune-kuna.html>
- 3. 26 June 2013 – metro-portal.hr - Sjedi li u EPO krivi čovjek?**  
(A wrong man sitting at the EPO?)  
<http://metro-portal.hr/sjedi-li-u-epo-krivi-covjek/78950>
- 4. 5 April 2013 - novilist.hr - Protiv Dragana Primorca ipak se nastavlja kazneni postupak**  
(Criminal proceedings against Dragan Primorac to be continued)  
<http://www.novilist.hr/Vijesti/Crna-kronika/Protiv-Dragana-Primorca-ipak-se-nastavlja-kazneni-postupak>
- 5. 24 June 2013 - jutarnji.hr**  
**“Dragan Primorac se prebacivao u Audi da ga Vlada ne Vidi u Touareg” Iskazi svjedoka iz optužnice**  
(“Dragan Primorac switched to the Audi so that the Government wouldn't see him in the Touareg” claims prosecution witness)  
<http://www.jutarnji.hr/-primorac-se-prebacivao-u-audi-da-ga-vlada-ne-vidi-u-touaregu-/1110472/>

**РЕПУБЛИКА СРПСКА**



**УНИВЕРЗИТЕТ У БАЊОЈ ЛУЦИ  
ЕКОНОМСКИ ФАКУЛТЕТ  
БАЊА ЛУКА**

# ДИПЛОМА

О СТИЦАЊУ НАУЧНОГ СТЕПЕНА МАГИСТРА НАУКА

**ТОПИЋ (ВЛАДИМИР) ЖЕЉКО**

Рођен 05.08.1959. године у Бањој Луци, град Бања Лука, Република Српска, Босна и Херцеговина, уписан 1985. године на прву годину магистарских студија на Економском факултету у Бањој Луци, даћа 08.12.1989. године је одбранио магистарску тезу под називом:

Мјесто и улога истраживања маркетинга у процесу доношења инвестиционих одлука.  
На основу тога издаје му се ова диплома о стеченом научном степену

**МАГИСТАР ЕКОНОМСКИХ НАУКА**

РЕДНИ БРОЈ ЕВИДЕНЦИЈЕ О ИЗДАТИМ ДИПЛОМАМА 21

У Бањој Луци, 2001. године

РЕКТОР

Академик проф. др Драгољуб Мирјалић

ДЕКАН

Проф. др Станко Станић

*The German media are following the Master from Banja Luka with interest.*

Original Croatian text: *Na Topičevoj diplomu dvije različite godine!*

<http://www.tjedno.hr/index.php/categoryblog/2610-na-topievoj-diplomi-dvije-razliite-godine>

## TWO DIFFERENT YEARS APPEAR ON TOPIĆ'S DIPLOMA!

**Author:** *Franjo Dobrović*

**Date:** *30 March 2013*

In late February this year, the internet portal Tjedno received an official e-mail enquiry from the reputable German daily newspaper, the *Süddeutsche Zeitung*. It contained a request for facts and information relating to several articles which we had published about Željko Topić, the former Director of the State Intellectual Property Office of the Republic of Croatia (DZIV) and currently a Vice-President of the European Patent Office (EPO) whose headquarters are located in Munich.

The e-mail from the newspaper's Belgrade office was signed by Mr. Florian Hassel, who introduced himself as the Balkans correspondent for the *Süddeutsche Zeitung*. We complied with his request and below we bring you the text of the e-mail received from the leading Bavarian daily newspaper (which is read throughout Germany):

*"Dear Sir,*

*I am Florian Hassel, the Balkans correspondent for the Süddeutsche Zeitung, a leading German newspaper. Together with my colleague Christopher Schrader I have been following all of the charges and allegations against Mr. Željko Topić, an assistant director of the EPO in Munich. On 11 April 2012, Franjo Dobrović published an article on Željko Topić, the then director of the State Intellectual Property Office (DZIV), in which he stated that there were six investigations or court proceedings being conducted against him.*

*We would be interested to know which attorney or judge conducted/has been conducting these investigations/court proceedings, as well as how many cases are involved.*

*Also, Mr. Dobrović wrote about a case heard in the European Court of Human Rights, in which it has been said that Mr Topić allegedly paid 500,000 HRK to the then Minister of Education Dragan Primorac in order to obtain his position at the DZIV. Could you please tell us which case Mr Dobrović is referring to?*

*Thirdly, Mr. Dobrović wrote that the Prime Minister, the Deputy Prime Minister and other ministers of the Croatian Government were in the possession of confidential documents concerning these and other allegations against Mr. Topić.*

*Would you be able to tell us more about who drafted these documents and when?*

*Finally, we would like to know what happened after the publication of your article in Croatia?*

*Was the investigation completed or stopped, and was there or will there be a lawsuit against Mr. Topić? I would also like to ask you to direct me to someone from the Croatian Government or the judiciary whom I could contact with further questions.*

*Any information or assistance that you provide to us will mean that every article published in Süddeutsche Zeitung will clearly state that the portal "Tjedno" was the first to publish information regarding this case.*

*Regards*

*Florian Hassel,*

*Süddeutsche Zeitung, Balkan Correspondent"*

The same journalist recently published an article in the *Süddeutsche Zeitung* describing how corruption still rules in Croatia [1]. This article attracted a lot of attention in the Croatian media. And as we have indicated above, prior to that he also expressed interest in the specific case of Željko Topić.

To remind our readers, Željko Topić, the former Director of the DZIV, voluntarily handed in his notice on 30 April 2012, only several months after having been re-appointed by the newly elected government of Zoran Milanović. He subsequently departed for Munich to take up a new position as a Vice-President of the European Patent Office (EPO). To begin with, it would be helpful to know who recommended Mr Topić for re-appointment and whose signature is to be found on the document submitted to the Prime Minister Zoran Milanović for initialling on 26 January 2012. It would also be worthwhile to hear the opinion of the EPO on the subject of Croatian copyright protection. Of particular interest is the information that the current director of the DZIV, Ljiljana Kuterovac, was appointed a couple of days ago as a member of the supervisory board of the EPO Academy in Munich for a term of three years!

In passing we mention that the description of Mr. Topić's current position and other details about his person can be found on the official website of that international organisation: [www.epo.org](http://www.epo.org)

According to the information that we received from our German journalist colleagues, Topić's net monthly salary in his new job at EPO in Germany amounts to approximately 15,000 EUR.

### **JOVANOVIĆ CLAIMS THAT TOPIĆ IS PROTECTED BY JOSIPOVIĆ**

Željko Topić acquired his master's degree in Bosnia and Herzegovina. In Croatia the holder of a master's degree is exempted from the requirement to sit the state examination, irrespective of whether or not the master's degree is in any way relevant to the official duties performed in the civil service. In practice, the present case indicates a complete ignorance on the part of the former DZIV Director Topić concerning the basic principles governing the functioning of the civil service in Croatia. Failure to fulfil official obligations constitutes a serious violation of official duty as specified in detail in Article 99 of the Civil Servants Act [2].

Furthermore, in the case of an omission or inappropriate conduct by any member of staff, including the Director, the procedure concerning violations of official duty in the civil service is prescribed in detail. Disciplinary proceedings are to be instituted by the competent Minister of the state agency under whose remit the DZIV falls, which in this particular case is Minister Željko Jovanović.

The failings on the part of Minister Jovanović in relation to the supervision of the DZIV are not accidental. This assertion on our part is not baseless and without foundation because Minister Željko Jovanović of the Ministry of Science, Education and Sport of the Republic of Croatia has himself stated unofficially that Topić enjoys the protection of President Ivo Josipović and a political-legal clique in whose vanguard the state leadership itself stands. Jovanović's statement was made in the middle of last year on the premises of the Croatian Social Democratic Party in Zagreb and in the presence of several witnesses, one of whom was a correspondent of the Deutsche Welle [i.e. *the German public-sector international broadcasting service*]. And while our honourable Minister sticks pedantically to the letter of the law, mercilessly dismissing primary and secondary school principals from office throughout the length and breadth of "our beautiful homeland" [3] merely because they have transgressed by enrolling one or two students more than they should have or due to other banalities, he does not dare to interfere with such a corrupt bigwig or to take any action concerning the operations of the DZIV.

However, Jovanović is not the only person entrusted with the task of providing cover for this "intellectual Taliban". The lever of protection has been transferred from the Pantovčak [4] to Gajeva Street 30 in Zagreb, which is to say to the State Attorney's Office of the Republic of Croatia (DORH) and the Bureau for the Suppression of Corruption and Organised Crime (USKOK). Despite the fact that they

have been inundated with complaints of a manifestly serious nature against the former Director of the DZIV, these two institutions that are responsible for criminal prosecutions have thus far valiantly resisted the barrage of fire from the aggrieved citizens of the Republic of Croatia in their attempt to call both Željko Topić and the DZIV to account on the basis of substantially similar charges relating to activities of an inherently corrupt nature. According to the information provided by foreign legal experts, there is a distinct prospect of international criminal proceedings against Mladen Bajić, as well as his recently discovered “relative” Dinko Cvitan (their wives are related), because of the blatant obstruction of investigations and the damage which they are causing to Croatian citizens and to the common good in the present case [5].

Against this background nobody was surprised by the recent statement of the President of the Republic of Croatia that he would like to see his powers extended to include the right to personally nominate the State Attorney General. This was perceived by the general public and in legal circles as a demand to fulfil some kind of a “musical request” and, as we can see, it would be a perfectly fitting extension of the prevailing practices of patronage and clientelism. Perhaps he would like to extend the existing “family connections” which have already been exposed to other “family” members ...

For those who are not so knowledgeable about the secrets of the Pantovčak, let it be noted that our honourable President Josipović recently started a similar initiative to impose his preferred candidate, in the person of his security advisor Saša Perković, as the head of the Security and Intelligence Agency (SOA). However, that proposal was blocked politically and met with forthright and unanimous rejection [by the government of Zoran Milanović].

#### **MASTER'S DEGREE ISSUED 12 YEARS AFTER ORAL EXAMINATION**

Željko Topić, being an economist who completed all of his academic studies, including the “famous” master's degree, in Banja Luka, submitted the documents issued by the University of Banja Luka when taking up employment in the civil service of the Republic of Croatia. Some of these documents, in particular his “diploma”, were published by our portal in an article in June last year.

According to unofficial sources, as in other cases of DZIV supervision, the competent Ministry under the control of Željko Jovanović did not find anything amiss in this particular instance ! However, an analysis of the disputed documentation issued by the University of Banja Luka in the case of “Mr.Sc.” Topić, as well as several preliminary “field inquiries” on our part, have revealed a number of inconsistencies to which we would like draw attention.

In order to assist the reader in understanding our analysis of the contentious master's diploma which led to a complaint about Željko Topić being submitted to the Ministry of Science, Education and Sports, we have published this document alongside the present text for reference.

Let's go through the details one step at a time ...

- Two different years, i.e. dates, are indicated on the degree certificate.
- One year is indicated as the date of the oral examination. The year of issue is different, with no indication of the precise date on which the certificate was awarded.
- The difference between the date of the oral examination and the year in which the certificate was issued is 12 years.
- It is highly unusual that the certificate for a master's degree which was completed in 1989 does not bear the attributes of the former Socialist Federative Republic of Yugoslavia (SFRY) but rather those of the Republika Srpska [*an autonomous administrative region of Bosnia and Herzegovina*].

- It remains unclear why the degree was issued in 2001, i.e. twelve years after the oral examination, and only indicates the year, but not the precise date on which the certificate was awarded.
- The thesis title stated on the certificate differs from the title stated on the thesis itself.
- Given that the date of the oral examination falls within the period of hard-line socialist self-management [i.e. *in the SFRY*], the title of the master's thesis on the degree certificate sounds rather futuristic and is in the “twilight zone”.

Taking account of the various points noted above, there seems to be little doubt that Topić's diploma is a forgery. Perhaps the mysterious visitor to the Pantovčak, who commutes regularly between Banja Luka and the Presidential Palace once a month could provide more information about this matter and he might be able to assist us in arriving at the final answer to the open questions. On whose account this enigmatic gentleman travels between Banja Luka and Zagreb and who pays his monthly expenses, whether this comes from the national budget or from the Office of the President, these are things which are at present unknown. But let us hope that the official Visitor's Book at the Presidential Palace will not disappear mysteriously as it did during the era of the former President, Stjepan Mesić.

We conclude by noting that it is not the role of the media to draw up a bill of indictment nor is it our intention to defame anyone. Our task is merely to draw attention to irregularities, to provide news coverage about them and to protect the public interest. We leave everything else, including the drawing of conclusions and the taking of appropriate measures, to the competent national institutions subject to the proviso that they function properly and in accordance with the fundamental principles of a constitutional republic governed by the rule of law.

**Notes:**

- [1] **"Zaghafte Reformen reichen für den EU-Klubausweis"**, 26 March 2013.  
[*"Half-hearted reforms suffice to secure EU club membership"*]  
<http://www.sueddeutsche.de/politik/kroatien-zaghafte-reformen-reichen-fuer-den-eu-klubausweis-1.1634355>
- [2] Article 99 of the Croatian Civil Servants Act relates to "Severe Breaches of Official Duties". Article 99(1)(j) categorises "the use of inauthentic documents to secure privileges in the service" as a severe violation of official duties.  
[http://www.vsrh.hr/CustomPages/Static/HRV/Files/Legislation\\_Civil-Servants-Act.pdf](http://www.vsrh.hr/CustomPages/Static/HRV/Files/Legislation_Civil-Servants-Act.pdf)
- [3] An ironic reference to the Croatian national anthem.
- [4] "Pantovčak" refers to the Presidential Palace in Zagreb.
- [5] Mladen Bajić is the current State Attorney General and Dinko Cvitan is the current head of the Office for the Suppression of Corruption and Organised Crime (USKOK).

**Original Croatian text:** *Bivši ravnatelj DZIV-a Željko Topić zakinuo je hrvatske književnike za milijune kuna*  
<http://www.dnevno.hr/vijesti/hrvatska/85582-bivsi-ravnatelj-dziv-a-zeljko-topic-zakinuo-je-hrvatske-knjizevnike-za-milijune-kuna.html>

## Croatian writers claim that former DZIV Director Željko Topić cheated them out of millions of Kuna



**Author:** Mladen Prenc

**Date:** 28 April 2013

"For the common good and in order to provide complete information to both the Croatian and international public, we have decided to speak out on the subject of the threatened existence of Croatian writers, and also journalists, publishers, illustrators and other related professions. Starting in 2007, writers were supposed to receive financial compensation from the state for the lending of their books in public libraries based on the so-called Public Lending Right, but to date they have not received a single cent".

This appeal has been issued by anonymous sources from the Croatian Writers' Association [*Društvo hrvatskih književnika - DHK*] who have contacted the news portal Dnevno. After remaining silent for a number of years, the writers have finally decided to speak out about the alleged injustice done to them, and for which they blame the former long-time director of the State Intellectual Property Office (DZIV), Željko Topić, who now holds the position of Vice-President of the European Patent Office (EPO) in Munich. The writers ask the following question: Why didn't the Copyright Act in Croatia become operational for writers and other artists in the same way as it did for musicians (within the framework of the Protection of Music Copyrights - ZAMP)?

### Instead of including writers, only members of ZAMP were protected

They claim that the DZIV was appointed to act on behalf of the State as the coordinating body for the implementation of the above-mentioned Public Lending Right (PLR) based on the National Strategy for the Development of the Intellectual Ownership System in the period from 2005 to 2010. This Strategy was developed by DZIV itself, and the year 2007 was established as the deadline for PLR implementation. At the 4<sup>th</sup> European Public Lending Right Conference held in Budapest in April 2007, a proposal was made to hold the next European Conference in Croatia in order to provide writers in our country with support in relation to the implementation of the new right, which had already been introduced into Croatian legislation in 2003 by means of the Copyright and Related Rights Act which was based on the EU Directive 92/100/EEC.

The writers explain how Željko Topić continued to ignore all of the initiatives associated with the organisation of the European Public Lending Right Conference in Croatia for over a year, before finally turning down the request of the Conference organisers on 2 April 2008. His argument was that the Croatian state agency responsible for the matter, i.e. the DZIV, lacked the financial means to bear its share of the Conference costs - a ridiculously small sum of 100,000 HRK, or approximately 15,000 EUR.

The balance was to be provided by the Conference organisers. However, the story of the DZIV's empty coffers, which Topić used as a convenient excuse, is contradicted by the official remuneration disbursement schedule for the year 2007, which clearly shows that the DZIV had ample funds at its disposal. As evidence of this claim, we publish the 2007 disbursement schedule as an annex.

According to the schedule, additional remuneration was paid out to certain permanent employees of DZIV on top of their regular salary. It is interesting to note that this additional "contract work" appears to have been carried out by those employees during their normal working hours using the resources of the DZIV thereby effectively amounting to a form of illegal income. In any case, the former Director of the DZIV rejected the request of the Conference organisers because of an alleged lack of funds, while at the same time paying out generous additional remuneration to selected staff inside the DZIV. At this point it is necessary to emphasise that the aforementioned schedule does not include payments to external collaborators, travel expenses or other financial gems of the notorious crew resident at Vukovarska 78 in Zagreb [*i.e. the DZIV*]. Moreover, our sources from the Croatian Writers' Association claim that in parallel to the DZIV's obstruction in the case of the Public Lending Right for authors, the development and monitoring of rights protection for certain other forms of copyright, in particular those relating to ZAMP [*i.e. musical royalties*], were receiving a completely different and privileged level of support from this state agency.

## The DZIV Vehicle Fleet

Apart from generous additional remuneration for himself and certain favoured employees of the DZIV, the information available to us indicates that Željko Topić was also capable of financing the cost of six official DZIV vehicles: three older ones – an Audi 6, an Audi 4 and a Skoda – as well as three completely new ones – a Mercedes, an Audi 6 and a Skoda. The new Audi 6 was for the then Minister of Science Dragan Primorac, who was responsible for the DZIV at the time; the new Mercedes, *i.e.* "Merc" and the older Audi 6 for Topić himself, the older Audi A4 for his deputy Romana Matanovac, and the new Skoda for the assistant Director Ljiljana Kuterovac. All of this was in addition to the documented amount of 1,033,182.28 HRK, clearly visible in the schedule annexed to this article, which was paid out as additional remuneration for the year 2007 (on top of the regular salary) to around half of the DZIV employees, with the "duo" consisting of Željko Topić and Romana Matanovac topping the list of beneficiaries. In a Budgetary Audit Report relating to the DZIV dated 15 January 2008 and carried out by the Ministry of Finance, this amount is listed as improper expenditure in contravention of the Labour Act, the Collective Agreement for Civil Servants and Employees and the Budget Act. The aforementioned Report notes that Topić's actions in this respect constitute an offence subject to sanction by a fine in the amount up to 100,000 HRK pursuant to the Budget Act. Notwithstanding a legal obligation to do so, for reasons known only to themselves neither the inspectors from the Ministry of Finance nor the Minister with responsibility for the DZIV at that time, Dragan Primorac, saw fit to initiate civil or criminal proceedings against Topić.

Are Croatian writers finally about to take action against the former DZIV director Željko Topić by way of a collective lawsuit or by alternative legal means, in an effort to call him to account for causing them significant financial damage by abusing his position and authority and neglecting his official duty to facilitate the implementation of the new Public Lending Right? Thanks to him they have still not received a single cent of financial compensation which is of existential importance for writers and for other related professions as mentioned above. To what extent Mr Topić and the so-called "clique of intellectuals" at the DZIV have forearmed themselves against the eventuality of legal action on the part of Croatian writers has yet to be ascertained.

## Official or private website?

We would also like to remind our readers that Željko Topić made use of the official DZIV website last year to settle accounts with persons who had pressed criminal charges against him as well as with the media outlets that had drawn the attention of the public to his violations of the law. Although he had moved to Munich in the meantime after voluntarily handing in his notice at the DZIV to take up the position of Vice-President of the EPO in the Bavarian capital, in April 2012 he suddenly returned to Zagreb on the last day of the month. As the working day was drawing to a close he ordered a surprised employee of the DZIV IT department to publish a controversial exculpatory “press release” on the official DZIV website.

In other words, having no possibility to obtain publication of such a self-serving statement in the press or on the Internet portals that had reported piquant details about him, he abused his position and influence inasmuch as he effectively requisitioned the website of a state agency for a private purpose, i.e. to publish a rejoinder in his own defence.

In addition to that, as part of his efforts to discredit the published articles disclosing the illegal actions carried out during his time at the DZIV, Topić filed a complaint with the Croatian Journalists' Association, accusing the journalists who had written the articles of violating the journalistic code of honour by publishing unverified and defamatory information about him. The Press Council of the Croatian Journalists' Association rejected Topić's accusations and published its reasoned findings on its official website.

Whether by coincidence or not, the Croatian law firms that represent Željko Topić in the criminal proceedings pending against him were at the same time also representing those who had indicted him – at least until such time as this was inadvertently revealed. In this way, they had access to privileged information concerning the other party. The lawyers who represent Mr Topić in criminal legal matters in Croatian courts are the law firm Silvije Hraste and the law firm Gajski-Prka-Sauchá and Partners d.o.o. Affidavits bearing stamps of these law firms have been deposited in all criminal cases concerning Željko Topić. Our editors are in possession of copies of these documents.

Finally, it should be pointed out that the aforementioned law firms are at the same time officially registered as the legal representatives of the DZIV in Zagreb. In this way the circle is closed.

## Contentious appointment and DZIV audit

In the course of conducting an audit of the DZIV and its then Director Željko Topić in 2012, the Ministry of Science under the control of Minister Željko Jovanović omitted to analyse a key document of the Croatian Government from which it plainly follows that Romana Matanovac, who was at the time employed by the state agency DZIV, was ineligible to be appointed as a member of the Board of Experts for Copyright and Related Rights [*due to a conflict of interest*].

Matanovac's transgressions include approving the payment of some 300,000 HRK by the DZIV in 2008 for the ALAI Congress [*held in Dubrovnik*], under the stewardship of Professor Igor Gliha otherwise known as a close friend of Ivo Josipović, the Croatian President, instead of providing funds for the Public Lending Right Conference, despite the fact that the DZIV had a whole year to prepare for the latter event and was under an official obligation to organise it. Out of approximately 110 permanent employees of the DZIV, the only ones who appear to have benefitted from the exclusive privilege of receiving multiple additional perks were Romana Matanovac and Ljiljana Kuterovac both of whom evidently enjoyed the special confidence of the former Director Topić.

In conclusion we note that Croatian writers are still searching for answers to a number of unsolved riddles. For example, why did Ms. Romana Matanovac not adopt the same professional approach to the implementation of the Personal Lending Right as she did in the case of Josipović's ZAMP [*i.e. music royalties*]? And what exactly is it that makes Croatian musicians worth more than writers?

*Prilog 7.*

DRŽAVNI ZAVOD ZA INTELJEKTUALNO VLASNIŠTVO  
 VE. Breda Vukovara 78  
 10000 Zagreb  
 MB 03099772

Datum : 07.02.2012  
 Strana: 1

G O D I Š N J E I S K A Z E  
 od 01.01.2007 do 31.12.2007

Redni broj	Prezime i ime	Bruto dohodak	Imetak	Imovina	Glavnica	Forma i prih.	Isplata
1. 004	ŠOHNOVIĆ JASNTIKA	54.946,81	0,00	28.781,36		22.407,45	53.550,00
2. 005	RAIC LIZILJANA	4.889,72	1.466,92	0,00		1.007,72	3.880,00
3. 006	EUTEROVIĆ LILIJANA	53.665,16	75,63	10.402,62		12.657,54	39.715,00
4. 008	KRIP RENE	5.931,95	2.979,59	0,00		2.050,95	7.881,00
5. 011	CVETIĆ ANTONETA	12.602,40	3.780,72	0,00		2.602,40	10.000,00
6. 015	KVAČEVIĆ JORAN	7.565,22	2.269,57	0,00		1.362,22	6.093,00
7. 017	GRUBIŠIĆ RAZED	15.647,14	4.694,14	0,00		3.731,14	12.416,00
8. 020	BRANJA PAVIČA	3.892,88	1.167,86	0,01		805,88	3.089,88
9. 021	FISTRIĆ SLAVEN	19.409,20	4.022,76	0,00		2.628,20	18.781,00
10. 022	ŠUKLIĆ BURNINA	4.952,07	1.497,92	0,00		1.031,07	3.921,00
11. 025	JAROŠEVIĆ JASMINA	7.561,44	2.268,43	0,00		1.361,44	6.090,00
12. 043	TONIĆ TRAJANA	3.150,60	945,18	0,00		650,60	2.500,00
13. 050	TRIGLAVIĆ SASA	5.040,96	1.512,29	0,00		1.040,96	7.000,00
14. 051	CHRISTOPHER ROŠKVIĆA	87.345,56	26.243,67	0,00		17.995,56	69.150,00
15. 054	MAJKIĆ ROKAN	116.043,99	0,00	23.368,80		27.575,19	65.900,00
16. 066	KLJČIĆ TANJA	8.367,94	2.500,89	0,00		1.726,94	6.890,00
17. 068	KREN ŽELJKA	5.253,50	2.056,03	0,00		1.931,50	7.432,00
18. 069	ŠIŠIĆ DEJA	8.040,33	2.412,10	0,00		1.660,33	6.380,00
19. 078	ŠEŠIĆ MILO	8.322,00	0,00	1.674,40		1.956,79	4.380,81
20. 082	ŠIŠIĆ ANET	107.877,06	0,00	21.575,38		25.439,81	60.842,67
21. 090	KRČAN SASA	12.946,63	0,00	2.589,27		3.055,41	7.301,90
22. 091	BRGOVIĆ MARTINA	-4.374,61	1.857,39	0,00		1.188,41	4.786,00
23. 092	ILIĆ VLADISVA	8.504,09	2.551,20	0,00		1.756,09	6.748,00
24. 093	ŠOLJIĆ BRIGJETA LITERI	80.308,53	0,00	16.067,71		17.995,34	46.275,00
25. 098	TOPIĆ ŽELJKA	119.769,51	0,00	23.913,90		26.765,47	67.590,00
26. 099	MAJKIĆ MARIKOVIĆ ANA	12.411,35	0,00	2.402,27		2.929,08	7.080,00
27. 105	KLJČIĆ IZABELA	56.726,88	0,00	11.345,34		13.287,55	31.993,97
28. 104	ČAŠI BRANKA	78.814,41	0,00	16.162,92		16.712,24	39.999,45
29. 105	FIŠIĆ MARTINA	46.655,76	0,00	9.211,11		11.010,82	26.313,63
30. 112	MAJKIĆ IVANA	47.961,00	0,00	9.468,12		11.172,54	26.700,30
31. 117	TRNČEVIĆ IVANA	85.892,40	0,00	16.566,48		19.568,43	46.717,47
32. 134	TRNČEVIĆ SUZANA	50.040,95	0,00	10.008,19		11.009,68	28.223,08
33. 135	TRNČEVIĆ IVANA	15.415,28	0,00	3.082,05		3.638,02	8.694,21
34. 136	BOŠIĆ IVANA	44.669,92	0,00	12.973,94		15.262,18	36.475,80
35. 137	ŠARIĆ PAVIČA ANA	73.205,39	0,00	16.641,04		17.276,50	41.287,89
36. 138	MAJKIĆ IVANA	57.453,20	0,00	11.470,63		13.508,96	32.463,59
37. 139	MAJKIĆ IVANA	15.328,60	0,00	3.065,72		3.637,56	8.643,32
38. 140	VLADIĆ MAJKIĆ JORAN	4.770,92	0,00	954,18		1.125,94	2.696,80
39. 141	BOŠIĆ IVANA	12.413,98	4.074,28	0,00		2.789,98	10.644,00
40. 142	MAJKIĆ IVANA	8.605,55	2.061,67	0,00		1.985,55	7.622,00
41. 143	MAJKIĆ IVANA	8.758,00	2.468,40	0,00		1.511,00	6.717,00
42. 144	ČAŠI BRANKA	22.042,83	0,00	4.408,56		5.202,12	12.430,15
UKUPNO :		1.461.731,94	24.325,59	242.773,14	0,00	336.280,62	882.658,18

*ukupno - 428.413,66*

*ukupno - 1.033.182,18*

The writers explain how Topić continued to ignore all of the initiatives associated with the organisation of the European Public Lending Right Conference in Croatia for over a year, before finally turning down the request of the Conference organisers on 2 April 2008.

His excuse was that the DZIV lacked the financial means to bear its share of the costs. However, at the same time Topić was paying himself and certain favoured DZIV employees generous amounts of “additional remuneration” as evidenced by the official disbursement schedule.



**Croatian text:** *Sjedi li u EPO krivi čovjek?*

<http://metro-portal.hr/sjedi-li-u-epo-krivi-covjek/78950>

## **A WRONG MAN SITTING AT THE EPO?**

**Author:** *Željko Peratović*

**Date:** *26 June 2013*

***The “Balkan Express” route of M.Sc. Željko Topić from Banja Luka to Munich via Zagreb.***

The corruption scandal at the State Intellectual Property Office (SIPO) of the Republic of Croatia with M.Sc. Željko Topić, former Director of that Croatian institution in the main role, has crossed the administrative borders of the Republic of Croatia and is currently shaking the European Patent Office (EPO) in Munich, an international patent protection organisation, by an unprecedented affair to date.

The EPO with its headquarters in Munich is an institution of special importance for the EU. It has offices in The Hague, Berlin and Vienna and employs a considerable number of about seven thousand people. The basic EPO's role is to regulate and strengthen cooperation among the European Member States in terms of protection of patent rights. In addition to 27 EU Member States, as well as Croatia from 1st July 2013, it also represents the patent interests of 11 non-EU Member States. When in March 2012 the EPO's Management Board, with full support of President of the organisation, Benoit Batistelli, appointed a master of science from Banja Luka, Željko Topić, as one of the five Vice-Presidents, they probably did not have a clue who was coming to join them, a person with a number of criminal charges pressed against him and court proceedings in the Republic of Croatia and before the European Court of Human Rights in Strasbourg.

### **NEW ADDITIONS TO ŽELJKO TOPIĆ'S BIOGRAPHY**

In addition to all juicy stories published in the media about Mr. Željko Topić so far, there is also some new evidence, which characterises his work and actions at the Croatian Intellectual Property Office in Zagreb at the time as a sophisticated conflict of interest. More specifically, while Mr. Željko Topić was sitting, i.e. was working for the SIPO, in April 2002 he simultaneously founded an association called “Adepta” – Croatian Intellectual Property Association” and offered “cooperation” to the SIPO. He would send interesting “notes” to the then Director of the SIPO and propose cooperation but also ask for financial support for his “projects”. He introduced the association, falsely, as the first national association of its kind in Croatia, although the copyright protection had already been covered by the activities of the “Croatian Copyright Association” (CCA), whereas the intellectual property (industrial property and copyright with related rights) had been covered by the activities of a Croatian branch of the International Association for the Protection of Intellectual Property, the so-called “AIPPI – Croatia” as early as 1999.



However, to make things even more bizarre, Topić's "second" office was registered at the address of a nearby coffee bar in Plivska 27 in Zagreb, a mere 50-odd metres away from the SIPO's building. Many SIPO's employees witnessed Mr. Topić signing and stamping the letters of the Adepta Association during his working hours at the tables in the aforementioned coffee bar.

Off the record, practically the entire SIPO was aware of the activities of the main character in our story, but nobody took any action. According to our sources, Mr. Topić, allegedly had an intention to use the SIPO's national database for private purposes via "Adepta".

"Adepta"'s Vice-President Branka Ljubišić, who also became Topić's first deputy in 2004 when he became Director of the SIPO for the first time, left him after they had worked together for about a year at the foregoing positions and publicly accused him of incompetence. It would be useful to find out if Topić, when he became Director of the SIPO, gave financial donations to his own association given the fact that former Director of the SIPO, Hrvoje Junašević, refused to do so with resentment.

Topić's CV, which he personally uploaded on the Internet and which is visible on the portal of the World Intellectual Property Organization – WIPO due to his membership in its professional bodies, indicates that he is the president of the Croatian branch of the AIPPI, which is not true. He was hiding behind a minor "Adepta". Topić's CV is riddled with false facts. In particular, one can single out Topić's claim that he worked as an Assistant Director of the SIPO for 11 years (1992-2003). According to the information from the SIPO, the first Director of the SIPO, Nikola Kopčić, assumed his powers from the Government of the Republic of Croatia for the period of ten years, his entire mandate (1992-2002) and himself appointed the SIPO's officials (his assistants) instead of the Government of the Republic of Croatia. Accordingly, Željko Topić worked as an Assistant Director of the SIPO for a short while, but not for 11 years, as stated in his CV. Furthermore, it is indicative that he attributes such nomination to himself as authorised nomination and simultaneously disputes identical nominations of others.

To our knowledge, it is still unknown if Mr. Batistelli, President of the EPO in Munich, is familiar with this important detail in the curriculum vitae of his assistant and if Željko Topić meanwhile followed the same pattern and set up a parallel association at an obscure kebab bar in the German territory, at the nearby Bahnhof (railway station) in Munich.

In his CV, Topić likewise indicated that he worked on the establishment of the national intellectual property system, that is, legislation of the SIPO of the Republic of Croatia, which is not true. It was the SIPO's lawyers, and not him as an economist, who worked on that subject matter. He claimed to be an initiator, coordinator and main associate of the National Intellectual Property System Development Strategy in the Republic of Croatia, but it was a document he never observed, which can be demonstrated by his ignoring of the public lending right, a new right important for writers, whereby he caused them irreparable financial damage.



He claimed to be a national intellectual property coordinator in the EU accession process, but it was Professor Siniša Petrović from the Faculty of Law in Zagreb who had that role. He stated that he was a Croatian patent and trademark representative, but this function was attributed to him by his deputy (and vice versa) without any initial transparent procedure for others at the SIPO.

## **SIPO'S OFFICIAL AND SIPO'S REPRESENTATIVE AT THE SAME TIME**

In addition to the „Adepta” Association, in March 2003 with Attorneys at Law Korper & Haramija from Zagreb Željko Topić founded a company called Korper, Haramija & Topić d.o.o. /a limited liability company/, whose activities inter alia also included representation before the SIPO. When in 2004 he became Director of the SIPO, his actions were illegal: the Korper, Haramija & Topić d.o.o. Company was not registered in the SIPO's Register of Representatives since it would be a direct, visible conflict of interest. However, the powers of attorney submitted to the SIPO by that company for its representation of different entities together with the Topić's name were processed, like any other case, represented by companies registered in the Register of Representatives. Only the companies registered in the SIPO's Register of Representatives may engage in representation as an occupation, which excludes the Korper, Haramija & Topić d.o.o. Company and makes their powers of attorney invalid.

We are in possession of the powers of attorney of that company with Topić's name and evidence of further proceedings, at the time when he was Director of the SIPO, as well as other documentation which corroborates our claims.

Additionally, if other representatives had found out that the SIPO's Director represents other companies in line with the powers of attorney, they could have made a big legal scandal and pleaded a conflict of interest. Unlike the Adepta episode from the nearby coffee bar, some employees within the SIPO's system must have been aware of this illegal business of Željko Topić since the foregoing documentation had to pass through their hands.

Whilst doing research into this topic, we also obtained some information that Mr. Željko Topić owns a document issued by the Croatian authorities that denies any serious proceedings instituted against him in the Republic of Croatia now or at least for the time being, that is, it indicates that all charges against him were dropped. This document is allegedly officially available at the EPO in Munich on its internal website signed by President of the EPO in February 2013. If this is true, then only the State Attorney's Office (DORH) headed by Chief State Attorney Mladen Bajić could have issued that document to “master of science” Topić. At any case, it will be interesting to see how this story is going to develop after it has become established how this Balkan intellectual managed to go through the EU security system and get employed at the EPO in Munich. According to some unofficial German newspaper sources, Željko Topić enjoys the protection of President of the EPO, Benoit Batistelli. The motive or cause behind it is yet to be identified within the EPO's security system.



As it is evident from the official website of the SIPO and the EPO, during the last year Željko Topić slowly started to recruit his resources systematically and to create his network within the ranks of the EPO: recently the current Director of the Croatian SIPO, Ljiljana Kuterovac, “suddenly turned up” there. A couple of months ago she was appointed as a member of the Supervisory Board of the EPO’s Academy in Munich for a three-year mandate. Many thus consider this international promotion of the current SIPO’s Director from Zagreb as a reciprocal favour to the person to whom Željko Topić assigned a private task to “watch his back” in court proceedings in Croatia and to be his informant on a daily basis.

## **EPO STARTS INVESTIGATION IN THE SRPSKA REPUBLIC**

According to his official CV, Željko Topić started his career as a sales specialist at the Yugoslav Railways with headquarters in Banja Luka (former Yugoslav Republic Bosnia and Herzegovina) in the early 1980s, i.e. after he had finished his studies. He tried to get a job at the Ministry of Foreign Affairs of the Republic of Yugoslavia in Belgrade before that, but he was rejected.

Off the record, according to the newspaper headlines and systematic internal reports at the headquarters in Munich, the EPO has started an official investigation in the territory of the Republic of Srpska, at the University of Banja Luka, to establish the credibility of his diploma, that is, his master’s degree. The findings of the EPO’s investigation team are still unknown, including the reasons why a master of science from Banja Luka when seeking employment at the EPO did not mention a number of criminal proceedings instituted against him in Croatia and two court proceedings in Strasbourg.

Before his arrival at the EPO, on a few occasions Željko Topić also tried to apply for a job at the World Intellectual Property Organization (WIPO) in Geneva, but he failed. He again falsified his personal data to embellish his CV based on unfounded and false facts.

Likewise, a mention should be made of the following piece of information: on his way to obtain the current position in Munich Željko Topić allegedly used some mysterious circles in Budapest. It is not known if the convicted former Prime Minister of the Government of the Republic of Croatia, Dr. Ivo Sanader, also travelled with him on the same train with the “INA-MOL” file on his person.

On the eve of Croatia’s accession to the European Union an issue remains open if there is a corruption link between the structures of the Croatian state institutions, individual associations and the attorneys’ lobby. An investigation of this issue has been avoided to date by the Ministry of Justice, the Ministry of the Interior, the State Attorney’s Office (DORH) and the Anti-Corruption Office (USKOK), the bodies regulated by the Croatian Constitution to protect the legal order and legal security of the Republic of Croatia. It is a small wonder then that our country has been given such an unfavourable ranking in the international Corruption Perceptions Index according to the latest international surveys and that one of the main Croatian export products to be offered is the unacceptable carcinogenic and deviant social behaviour in the form of “intellectual corruption”.

Original Croatian text: *Protiv Dragana Primorca ipak se nastavlja kazneni postupak*

<http://www.novolist.hr/Vijesti/Crna-kronika/Protiv-Dragana-Primorca-ipak-se-nastavlja-kazneni-postupak>

THE SUPREME COURT ALLOWS THE PROSECUTION'S APPEAL

## Criminal proceedings against Dragan Primorac to be continued



**Author:** Ana Raić Knežević

**Date:** 5 April 2013

**According to the indictment, Primorac asked Dragutin Funda, who was the Director of the Croatian Standards Institute in 2008, to facilitate him in procuring a luxury VW Touareg.**

**Funda agreed to Primorac's request so Primorac was driving an expensive car whose two-year lease amounted to more than 68,000 HRK between 16 July 2008 and 13 July 2009.**

# NOVI LIST

The proceedings against **Dragan Primorac**, the former Minister of Science, are to be continued.

The Supreme Court accepted the appeal of the Zagreb prosecution filed after the investigative judge of the Zagreb County Court dismissed the indictment, concluding that the abuse of position and authority, the offense with which Primorac was charged, no longer existed under the revised Criminal Code, which entered into force as of 1st January this year.

According to the indictment, Primorac asked Dragutin Funda, who was the Director of the Croatian Standards Institute in 2008, to facilitate him in procuring a luxury VW Touareg. Funda agreed to Primorac's request so Primorac was driving an expensive car whose two-year lease amounted to more than 68,000 kuna between 16 July 2008 and 13 July 2009. As the lease was terminated prematurely, according to the provisions of the contract the Institute paid the company which owned the Touareg 449,622 HRK. In the meantime, four new winter tyres were purchased for the vehicle which cost the Institute a further 6,832 HRK.

Thus, according to the indictment to be reconsidered by the investigative judge, the state budget of the Republic of Croatia suffered losses totalling 456,454 HRK.

In addition, Funda is charged with concealing the lease for Primorac by registering the vehicle costs as payment for the translation of documents in accordance with the needs of the Institute.

Together with Funda and Primorac, charges have also been brought against the head accountant of one company and Funda's former assistant who carried out the disputed transaction.

Original Croatian text:

*“Dragan Primorac se prebacivao u Audi da ga Vlada ne Vidi u Touareg” Iskazi svjedoka iz optužnice*

<http://www.jutarnji.hr/-primorac-se-prebacivao-u-audi-da-ga-vlada-ne-vidi-u-touaregu-/1110472/>

**“Dragan Primorac switched to the Audi so that the Government wouldn’t see him in the Touareg”, claims prosecution witness**



**Date:** 24 June 2013

As things currently stand in the case concerning the contentious purchase of a luxury Touareg SUV, the former Minister of Science, Education and Sports **Dragan Primorac**, is accused by four other persons apart from his former adviser **Mirko Smoljić**.

In the meantime, the statement of Mr. Smoljić has become contentious because now both he and Primorac claim that his testimony was given under duress in the face of threats by the prosecution. Smoljić has submitted a written statement to the Court claiming that the Zagreb County Public Prosecutor **Zeljka Pokupec** threatened him with arrest if he didn’t accuse Primorac. After having been heard in the Court, it was requested that his previous statements in which he accused his former superior [*i.e. Primorac*], be excluded from the record as illegal.

## **Suspended sentences**

The Court, however, rejected this request arguing that Smoljić’s statements had been deposited in accordance with the prevailing law, so that the Supreme Court should have the final word in the matter. However, when we carefully analyze the indictment against Primorac, it turns out that Smoljić’s statement is only a minor part of the arguments against Primorac. The three other defendants have all admitted the charges and two of them have already settled for suspended sentences.

## Problems with the Minister

Primorac's co-defendant, **Dragutin Funda**, the former director of the Croatian Standards Institute who purchased the vehicle for Primorac, pleaded guilty and claimed that Primorac's request for the procurement of Touareg was conveyed by Smoljić. He also claims he never communicated directly with Primorac but only through Smoljić.

However, in his own words, he was very afraid of Primorac, because he noticed that some Ministry employees had run into problems.

- People were known to have been downgraded, made redundant and "given their cards" [*i.e. dismissed*], claimed Funda during the investigation.

## The agreed procedure

Smoljić himself was questioned on three occasions and, according to the records he blamed Primorac every time. However, in the course of the first two statements, he tried to extricate himself from the vehicle purchase. In his third statement, Smoljić also noted that he personally witnessed that Primorac did not want to be seen in the Touareg by other members of the Government, so he would use the Touareg for part of the route, and then, according to the procedure agreed upon in advance, he would transfer into his official Audi A6 which was driven by his second driver.

The story about Primorac switching vehicles was confirmed by the driver **Predrag Topolovec**, who said that the Minister did not want to be seen in that vehicle in Zagreb, so that he only drove it when out of town. He was also never allowed to park that vehicle in front of the Ministry. The driver said that once when he was driving the Minister to the anniversary commemoration of Operation Storm in Knin, Primorac requested that the vehicle be parked at a filling station on the highway from where he was picked up by the entrepreneur Mladen Kasalo in his BMW.

## Crossing the border

The driver also stated that, although it was illegal, the Touareg was fitted with flashing blue police lights at the request of the Minister.

Primorac however told us that that he was not hiding the SUV at all and that on every border crossing the Ministry of Interior Affairs was informed about the type of the vehicle.

- We will persevere to the end in establishing the truth and there is no way that those who commit crimes will evade punishment for them, even if they are from the Public Prosecutor's Office, said Primorac.



# 2014

## List of published items from 2014:

1. **11 March 2014 – BBC News Europe**  
**Former Croatian Prime Minister Ivo Sanader convicted of corruption**  
<http://www.bbc.com/news/world-europe-26533990>
2. **12 April 2014 - index.hr**  
**Uz Touareg sporan je i A6 kojim se služio bivši Ministar**  
(Controversy about Touareg and Audi 6 used by former Minister)  
<http://www.tjedno.hr/index.php/categoryblog/4837-uz-touareg-sporan-je-i-a6-kojim-se-sluzio-bivsi-ministar>
3. **16 May 2014 - index.hr**  
**Slučaj "Touareg": Dragan Primorac se ne osjeća krivim**  
(The "Touareg Affair": Dragan Primorac pleads not guilty)  
<http://www.index.hr/vijesti/clanak/slucaj-touareg-dragan-primorac-se-ne-osjeca-krivim/747836.aspx>
4. **15 May 2014 – Intellectual Property Watch**  
**EPO Internal Strife Spills Over Into European Parliament, Human Rights Court**  
<http://www.ip-watch.org/2014/05/15/epo-internal-strife-spills-over-into-european-parliament-human-rights-court/print/>

**11 March 2014**

## **Former Croatian Prime Minister Ivo Sanader convicted of corruption**



A court in Croatia has sentenced former PM Ivo Sanader to nine years in prison after convicting him and the Croatian Democratic Union (HDZ) of corruption. They were accused of siphoning off funds from state-run companies.

It was Sanader's second conviction for corruption in as many years, but the first time a Croatian political party has been found guilty of the charge. Fighting corruption was a key criterion for Croatia to join the European Union, which it succeeded in doing last year. The conservative HDZ party, now in opposition, has governed Croatia for most of the time since it gained independence in 1991.

### **'Ruined public trust'**

Prosecutors accused Sanader of "masterminding" a scheme to divert money from state-run firms and institutions during his two terms in office between 2003 to 2009, making illegal financial gains for the HDZ and himself.

"Sanader completely ruined public trust in institutions and authorities, creating an image of politics as a profession to become rich," Judge Ivana Calic said.

The verdict was a message to both politicians and parties that corruption did not pay off, she added. "They were elected to enforce the law, not to break it."

Alongside the HDZ itself, the party's former treasurer, accountant and spokesman were also found guilty and sentenced to prison.

The HDZ was also ordered to pay back \$5.26m (3.79m euros, £3.16m) and Sanader was told to return \$2.8m.

Analysts say the verdict will have a long-term effect on political financing in Croatia.

The trial, which lasted two years, was seen as one of the most important corruption cases in Croatia since independence. It came two years after Sanader was sentenced to 10 years in prison after being convicted of taking millions of dollars in bribes from a Hungarian energy company and an Austrian bank. Sanader was expelled from the HDZ in early 2010.

He and HDZ officials both say they will appeal the verdict, which still has to be confirmed.

**SOURCE:** <http://www.bbc.com/news/world-europe-26533990>

**Original Croatian text:** *Uz Touareg sporan je i A6 kojim se služio bivši Ministar*

<http://www.tjedno.hr/index.php/categoryblog/4837-uz-touareg-sporan-je-i-a6-kojim-se-sluzio-bivsi-ministar>

## CONTROVERSY ABOUT TOUAREG AND AUDI 6 USED BY FORMER MINISTER

**Date:** 12 April 2014

**Text:** Portal Tjedno Research Team



*In total five cars are missing from the SIPO!*

Portal Tjedno has previously written several times, in a critical and well-argued manner, about many years of corrupt practices at the State Intellectual Property Office of the Republic of Croatia under its former Director, Mr. Željko Topić, who is now a Vice-President of the European Patent Office (EPO) in Munich. Ten days ago we republished an article with supporting documents and photographs originally published on the official website of the Union of State and Local Officials and Employees of the Republic of Croatia (SDLSN) which describes, step by step, how funds from the State budget were improperly used to acquire vehicles owned by the State. The documents attached to the article in question clearly confirm how “Operation Mercedes” was implemented and how the State budget suffered a loss of at least € 66,000.

In his arrogance, he [*i.e.* Topić] even didn’t bother to change the license plates but kept the ones that had been assigned to the SIPO. After getting such an incredible bargain, it seems that it was too much outlay to shell out 105 HRK from his own pocket to cover the cost of new licence plates during the transfer of ownership.

Several months ago, we have witnessed the scandal of the purchase for a Croatian County Prefect of a luxury car equipped with a seven-gear automatic transmission, a radio with a CD player, MP3 player and 10 speakers and which cost an outrageous 433.000 HRK. The bizarre case of the Mercedes from the underground parking lot in Munich [*i.e.* at the EPO] shows where such cars are liable to end up to the detriment of the citizens of Croatia.

### CARS AND APARTMENT RENOVATIONS

Unfortunately, the above glimpse of the phantom Mercedes is just the tip of the iceberg when it comes to Mr. Topić. Before Mr. Topić left for the EPO, the SIPO owned a fleet of 6 vehicles. However, the vehicles appear to have left the SIPO around the same time as Mr. Topić’s departure. Five of the cars are no longer there. SIPO is now in possession of a single vehicle which is more than 20 years old. Topić took the Mercedes, while his former secretary, Mrs. Suzana Žeželj took the Skoda, and then promptly disposed of it when the matter became public. Mr. Topić kept his car hidden in the SIPO archives (as public attention was at that time focussed on a story about Mr. Sanader’s expensive armour-plated BMW). He transferred the ownership to himself two weeks before the supervisory Ministry of the Economy responded to his request for approval of the transfer of ownership. Two further vehicles from the SIPO’s fleet, although somewhat older, were also mysteriously transferred out of the ownership of the SIPO.

However, the biggest mystery of all so far is the disappearance of an Audi A6 3.0 TDI Quattro Tiptronic B, chassis number: WAUZZZ4F67N123666, which was formally the property of the SIPO, but *de facto* in the possession of Sanader’s former Minister Dragan Primorac. It would be interesting to investigate what happened to the Audi A6 which Mr. Željko Topić was paying for using a leasing arrangement and which was being used by the Minister at that time competent for the SIPO, Mr. Primorac, from May 2007 until July 2009. It would appear that, according to a credible source from the SIPO, this is how Mr. Topić “bought” his second term of office as Director-General of the SIPO.

Apart from irregularities relating to cars, unofficial information coming from the SIPO indicates that the former Director-General used the company Forset Ltd. Zagreb, which carried out renovations for the SIPO and other government institutions, to renovate and extend his private apartment in Zagreb at Ivaničgradska 60, in parallel, by means of a false statement of the actual costs [*i.e. for official building work*]. It thus appears that the former SIPO Director misappropriated state funds in order to carry out improvements to his private apartment. Given that Mr. Topić purchased the adjoining apartment at the same address, blocked off parts of the common area of the building without authorization and merged the two apartments into one, sources within the SIPO have reason to believe that the true extent of the [*financial*] damages caused to this important national institution [*i.e. the SIPO*] may have been even greater and that the services of the company Forset Ltd. may have been used not only for this disputed private renovation project but also for other purposes.

## **AUDI A6 QUATTRO WAS USED TO DRIVE A CHILD TO AN ELITE KINDERGARTEN**

The statements of employees of the Zagreb kindergarten "Srčeko", as well as the statements of several parents of other children attending this kindergarten confirm that the Audi A6 in question was indeed in *de facto* possession of Sanader's former Minister Dragan Primorac.

In particular, the wife of Minister Primorac, but also Primorac himself, were often seen bringing their child or picking it up from the elite kindergarten on the southern slopes of Medvednica in the aforementioned vehicle. Thus, the state car appears to have been used for private purposes. The leasing installments were, of course, paid by the SIPO and payment orders were signed off by Željko Topić. It is not clear whether Mr. Topić, in addition to paying for the leasing, also made arrangements to cover the maintenance and fuel costs for the aforementioned vehicle to Mr. Sanader's Minister.

The Montessori kindergarten "Srceko" is a private kindergarten for children located at an elite address Pantovčak 115 in Zagreb. According to the description on their website, they emphasise that the kindergarten provides a beautiful and specially prepared environment that encourages a child to work, learn and play during his most receptive developmental period. The description of the site specifically points out that the kindergarten is situated in a specially prepared area of beautiful family houses in Pantovčak, with a total area of 850 sq.m. and a yard in which there is a flower garden, a vegetable garden and a children's playground with swings, slides and other apparatus to stimulate psychomotor development. It indicates that some one hundred children attending the kindergarten are taken care of by specially trained tutors, and a team of experienced associates.

## **LEGAL CHAOS IN THE DISTRICT ATTORNEY'S OFFICE AND MINISTRY OF SCIENCE**

According to the information provided by the District Attorney's Office [*Croatian: ŽDO*] in Zagreb, and also reported by many sections of the media, the head of the ŽDO in Zagreb, Ms. Željka Pokupek, is conducting a prosecution against a former member of the Croatian Government, the Minister of Science who served under one of Remetinec's most prominent inmates [*i.e. the former Croatian Prime Minister Ivo Sanader currently serving a custodial sentence in the Remetinec penitentiary in Zagreb*]. This case concerns another top quality vehicle, a VW Touareg V6, "resurrected" from the Croatian Standards Institute.

We remind our readers that in late 2013 the Zagreb County Court upheld the charges brought against the former HDZ Minister of Science, Education & Sports, Mr. Dragan Primorac, who is accused of encouraging the Director of the Croatian Standards Institute, Mr. Dragutin Funda, to purchase a new luxury official SUV VW Touareg V6 for him. The initial indictment was confirmed by the Supreme Court in April 2013 which ruled that the criminal proceedings against Mr. Primorac should continue.

However, at the same time that Ms. Željka Pokupek received the confirmation of the criminal charges which she had initiated against Mr. Sanader's former Minister, several doors down the corridor, her lower ranking colleague, nicknamed "Sharon Stone", decided after several years to dismiss a criminal complaint brought against Željko Topić in connection with the open criminal case of "Operation Mercedes". This reveals the double standards which exist within the same state institution. In order to dismiss the criminal charges brought forward in the case of Topić's "Operation Mercedes", the "expert" in the District Attorney's Office responsible for the decision must have been either legally illiterate or corrupt.

An analysis of the available SIPO documentation in the case of the Mercedes and Audi A6 vehicles, reveals similar connections and a comparable *modus operandi* to the case of the controversial VW Touareg V6 of the Croatian Standards Institute.

To all of the above, we must add the fact that the Ministry of Science, Education & Sports [*Croatian: MZOS - Ministarstvo znanosti, obrazovanja i sporta*] conducted a review of the work of Mr. Željko Topić and the SIPO in early 2012. It would appear that Topić lied during that review, and deliberately misrepresented the relevant facts to the MZOS, alleging that he had received no approval from the Ministry of the Economy to purchase the Mercedes for the SIPO and claiming instead that he had purchased it for private purposes. The truth is exactly the opposite. In addition to the systematic and undocumented lies of Mr. Topić, the MZOS performed a superficial and inaccurate administrative review of SIPO operations and Mr. Topić and presented their findings and opinion in a report dated 16 March 2012.

According to our sources inside the MZOS, the person responsible for this sloppy and negligent work is the Secretary of the MZOS, Ms. Sara Sanela Butorac, a close friend of Dragan Primorac with whom she has co-authored a book. Ultimately, in view of the fact that the giving and taking of bribes is a reciprocal relationship, it can be assumed with high probability that in the case of the MZOS we are confronted with a “mire” [*of vested interests*] in the person and work of Ms. Sarah Sanela Butorac who, by protecting Dragan Primorac is also indirectly protecting Mr. Topić.

*No-one should be surprised that the Minister Željko Jovanović relied on the conclusions of the [negligently] implemented administrative review to confirm with his signature that the former SIPO director is an honourable and innocent man. However, in that very same year, Željko Jovanović stated in front of several witnesses at an SDP party congress that Željko Topić enjoys the protection of the President of Croatia, Mr. Ivo Josipović, as was reported by the respected German Deutsche Welle.*

During the same administrative review of the SIPO and its then Director, Mr. Željko Topić, in 2012, the Ministry of Željko Jovanović also omitted to analyse a key document of the Croatian Government from which it follows that Romana Matanovač, then working in the SIPO, should not have been appointed to the Council of Experts on Copyright and Related Rights [*due to a conflict of interest*].

## **INTERNATIONAL RESPONSE IN THE “TOPIĆ AFFAIR”**

In recent months, the “Topić Affair” has also received attention in an international context in connection with the EPO in Munich, the WIPO in Geneva, and the EU media. Whether by coincidence or not, the President of the EPO, Benoit Battistelli, is the person who mysteriously proposed the appointment of Topić as one of his Vice-Presidents.

Current public reactions in professional circles were primarily directed against the EPO President Benoit Battistelli, and from many different quarters - from the media, the Chairperson of the EU staff union to which EPO staff union (SUEPO) is affiliated and letters from a member of the French Parliament addressed to the supervisory ministry of the French Intellectual Property Office recommending rejection of the latest Battistellian project “Social Democracy”. Željko Topić was explicitly mentioned in a document dated 5 March of 2014 which confirms that a in General Assembly held at the EPO sub-office in the Hague a thousand staff members, in a secret ballot, expressed their lack of confidence in President Battistelli, Mr. Željko Topić and Ms. Elodie Bergot.

Furthermore, a petition, which was received by the European Parliament around Christmas last year, and is connected to Željko Topić, has been given special treatment, and the number under which the procedure is registered is JP-2013-0001-EPO\*. The petition in question has also been brought to the attention of the EPO Administrative Council consisting of 38 directors of national intellectual property offices from Europe. The supervisory failings of the Croatian Ministry of Science and the Ministry of Economy as well as the previous lack of reaction from the EPO Administrative Council have been the main contributory factors which have led to the filing of this petition.

Another interesting fact is that Brussels has also been informed about this case, so that it appears that investigative activity around this international scandal could be personally assumed by two very strong judicially qualified figures of the European Parliament - Monica Macovei and her assistant Angelique Hardy.

The web link below confirms that these two individuals cannot be dismissed as persons who are unfamiliar with Croatian political and judicial problems:

[http://www.hertie-school.org/fileadmin/images/Downloads/working\\_papers/52.pdf](http://www.hertie-school.org/fileadmin/images/Downloads/working_papers/52.pdf)

## POWERS OF ATTORNEY IN CRIMINAL LAWSUITS AGAINST MR. TOPIĆ

Last year, the official Intranet of the EPO, based in Munich, published a communiqué from EPO President Benoit Battistelli stating that his assistant Željko Topić was not subject to any criminal charges and claiming to rely on the assurances of the competent Croatian authorities in this regard.

Portal Tjedno is in possession of two powers of attorney from which it is evident that Mr. Željko Topić is the subject of at least two criminal proceedings in the Municipal Criminal Court in Zagreb. The powers of attorney of the Zagreb-based legal firms representing Mr. Topić are attached.

Information provided from several independent sources demonstrates conclusively that a number of serious criminal proceedings were initiated against Željko Topić during his final period of office, thus including the time when his appointment as SIPO Director was confirmed by the new Croatian Government of Mr. Zoran Milanović.

The lawyers representing Mr. Topić in pending criminal cases come from the law firms of Silvio Hraste and Gajski-Prka-Sauchá & Partners Ltd. Certified powers of attorney from these firms are attached to the files of all criminal cases involving Mr. Topić. It should be noted in this regard that the aforementioned law firms are also officially registered as legal representatives in the public register of the SIPO.

The law firm of Silvio Hraste has many connections to the Croatian President, Ivo Josipovic, while the spouse of Mr. Tomislav Saucha, the *Chef de Cabinet* of the Croatian Prime Minister, works in the law firm Gajski-Prka-Sauchá & Partners Ltd. To clarify, both law firms are part of the same former unit, and were formed through “legal recycling” at Ribnjak 40 in Zagreb. Mr. Topić thus has two very strong “anchors” and an open connection, and the possibility of a direct line to the highest authorities of the Croatian Government. This detail is particularly evident after the exposure of the latest corruption scandal in the ranks of the SDP, which has been proceeding gradually, but relentlessly, in recent months. There are indications from sources “inside the loop”, that some advisers in the Office of the Croatian Prime Minister have recently been recruited or have received recommendations via the law firm Gajski-Prka-Sauchá & Partners Ltd. In addition, Mr. Tomislav Saucha, the Prime Minister’s *Chef de Cabinet*, has been caught using his official position and influence to try to obtain business benefits for his spouse’s law firm. A more ambitious project which the youthful Mr. Saucha attempted to pursue – albeit unsuccessfully - involved taking over a profitable and leisurely multi-million assignment on behalf of Croatian Television in enforcement proceedings against subscribers of the Croatian radio-television state monopoly.

Does P.M. Milanović really know what his *Chef de Cabinet* is working on during business hours? Or can it be that he has no idea about what he is up to, as in the case of the recently arrested Prefect of the the Sisak-Moslavina District\*\* which has yet to be publicly clarified?

### NOTES:

\* **Erratum:** The correct reference number for the European Parliament Petition is 2848/2013.

\*\* **Note:** This refers to the arrest of County Prefect Marina Lovric Merzel, a senior official of the Croatian Social Democratic Party (SDP) who was taken into custody at the beginning of April 2014 following an investigation into alleged irregularities launched by Croatia’s serious fraud office USKOK:

<http://dalje.com/en-croatia/sisak-moslavina-county-head-arrested-in-graft-probe/504571>

Original Croatian text: *Slučaj "Touareg": Dragan Primorac se ne osjeća krivim*

<http://www.index.hr/vijesti/clanak/slucaj-touareg-dragan-primorac-se-ne-osjeća-krivim/747836.aspx>

# The Touareg Affair: Dragan Primorac pleads not guilty



*The former Minister of Science, Dragan Primorac (left)*

*16 May 2014*

The former HDZ Minister of Science, Education and Sports, Mr. Dragan Primorac, stated today at the Zagreb County Court that he was not guilty of the charges that he had encouraged the former director of the National Standards Institute, Mr. Dragutin Funda who pleaded guilty to the charges, to purchase a new "official" luxury VW Touareg V6 SUV.



“I have understood the indictment, as far as possible, and I plead not guilty,” Primorac said before the court chaired by Judge Koraljka Bumči.

However, his co-defendant admitted that he had succumbed to pressure from the Minister and had abused his official position by signing a leasing contract for the purchase of a new Touareg. Although at the beginning of the trial he [*i.e. Dragutin Funda*] said that he would remain silent, the Court was presented with video footage of his testimony to USKOK [*the Croatian Bureau for Combatting Corruption and Organized Crime*] where he explained how he had entered into an agreement with the Minister that the National Standards Institute would pay the first three installments of about 70 thousand kuna for the luxury SUV, while the remaining costs would then be covered by Mr. Primorac’s Ministry.

However, this agreement was not followed through because, after Mr. Primorac resigned from office [*on 1 July 2009*], the leasing contract was terminated [*prematurely*] costing the Institute about 450 thousand kuna which, according to the prosecution, is the amount of the loss accruing to the State Budget.

Mr. Funda told the prosecution that he had done everything out of fear for his job and career and he also said that Primorac did not want anyone to know about the car so it was parked at the Institute.

The indictment [*against Primorac*] was rejected by the County Court in February last year, but two months later, the Supreme Court ruled that criminal proceedings should be continued.

After the affair became public, Primorac initially claimed that it was a hoax because the Touareg which he drove was "gray, not black" and it was owned by the company for which he worked after leaving office.

He announced that he would press charges for publication of “false information” and he ended up by filing criminal charges against the public prosecutor Željka Pokupec. He demanded her dismissal, claiming that she had urged the witness Mirko Smoljić to make false accusations against him. The prosecution responded that the County Court had rejected Primorac's motion to exclude the testimony of that witness from the file on the grounds that it was unlawful and it said that no further comments were required on that point.



**SOURCE:**

<http://www.ip-watch.org/2014/05/15/epo-internal-strife-spills-over-into-european-parliament-human-rights-court/print/>

## **EPO Internal Strife Spills Over Into European Parliament, Human Rights Court**

*By Dugie Standeford for Intellectual Property Watch*

*15 May 2014*

Relations between European Patent Office (EPO) staff and senior officials, already tense due to work issues with President Benoît Battistelli, have been further undermined by the continuing presence of Vice-President Željko Topić, according to a source close to the situation. Claims about Topić's suitability for office by one of his former employees at the Croatian State Intellectual Property Office (SIPO) have now reached the European Court of Human Rights (ECtHR), while a petition by the Association for the Advancement of the Rule of Law (Juris Protecta) in Croatia has been filed in the European Parliament.

*Intellectual Property Watch* spoke to the various parties involved in the matter to try to gain a better understanding of the issue.

While it's unclear whether either of these efforts will succeed, Topić's suitability for office "is a fairly contentious issue" inside the EPO, the source said. Given the various accusations, and apparently uncontested press reports, the general feeling among EPO staff is that there are unanswered questions about Topić's appointment," the source said. Employees are also dissatisfied about what they see as an inadequate official response to the situation and believe "some kind of genuinely independent investigation would be required to clear the air," he said.

The EPO Administrative Council (AC) "has maintained complete silence" and taken no official position on the situation, which is strange given that it's responsible for the appointment and the organ of the EPO that exercises disciplinary authority over the president and vice-presidents, the source, who asked not to be identified out of fear of retribution, said. The absence of a position was confirmed by EPO.

Battistelli and Topić, however, told *Intellectual Property Watch* that the allegations amount to a "smear campaign."

## The Vesna Stilin Claims

Topić was appointed to head the EPO's Directorate-General Administration on 28 March 2012, "with the support of" Battistelli, an office press release said. Before that, he was director general of SIPO.

Vesna Stilin, whose complaint is now before the ECtHR, was assistant director in charge of copyright and related rights under Topić, and was working on the implementation of a "public lending right" for journalists and authors in Croatia, the source close to the situation said.

At the time Topić's first term at SIPO was ending in 2008, he had been implicated in several irregularities, and it was expected that his term wouldn't be renewed, the source said.

Topić should not have been reappointed due to his previous track record which, "if it had been properly taken into consideration, would have resulted in him being deemed unfit for public office," Stilin said. The irregularities under his management at SIPO have not been properly investigated and the government wasn't properly informed about them, she said. In addition, the procedure leading to his reappointment "was tainted by a whole series of flaws and irregularities, some of these involving actions which were *prima facie* [evidence]" of a type of person, she said.

Stilin applied for Topić's position but was unsuccessful. Once reappointed, Topić dismissed Stilin and abolished her department, an action that was "a completely arbitrary and unjustified measure involving an egregious abuse of authority," Stilin said. She filed a series of complaints in the Croatian courts, all of which were dismissed, after which she sought relief from the ECtHR. That case, filed in 2011, remains unresolved.

Stilin also launched several lawsuits in Croatia against Topić, she said. In one, in the Penal Court of Zagreb, she accused him of buying his second SIPO term from the government; harming writers by ignoring the public lending right; and slandering her in his version of her dismissal, among other things, she said. In response, Topić apparently sued Stilin for libel, a matter that will be heard on 2 June, the source close to the situation said. Stilin put forward the same allegations in the Zagreb Civil Court, she said. That case is pending, as is a third matter, filed on 9 January 2013 with the public prosecutor, she said.

## “Absurd Complaints”

“Vesna Stilin was dismissed by the government of Croatia, not by me, from her position as my assistant at SIPO,” Topić told *Intellectual Property Watch*. She applied for the director general position despite that fact that the application was “legally inadmissible and manifestly contrary to the procedure for appointing government officials, he said.

Stilin exhausted all available remedies before the government, the Administrative Court and the Constitutional Court of Croatia and lost all of the cases, he said. She then filed “absurd complaints” with the ECtHR, he said. “Her other false charges and denunciations against me to various bodies have all led to the same result: in each case, her allegations have been rejected after examination as entirely unfounded.”

Under the European Patent Convention, EPO vice presidents are appointed by the AC, as was the case with Topić, Battistelli said. He supported the candidacy because Topić “was a well-known and respected AC member, on the basis of his work in modernising the Croatian Office and developing [intellectual property] policy in Croatia, paving the way for accession to both the EPO and the EU,” Battistelli said.

Neither the AC nor Battistelli knew of the allegations against Topić at the time of his appointment, but since the charges have been made public they have all been cleared, Battistelli said.

“Unfortunately, with the amplifying effect of the internet, defamatory campaigns can reach a large audience without having to offer any proof,” he said.

## European Parliament Petition

In December 2013, Juris Protecta submitted a petition (number 2848/2013) to the European Parliament Petitions Committee. In it, the organisation asked lawmakers to investigate the “serious deficiency in the governance” of the EPO, despite that fact that the patent office is not an EU body and lies outside parliamentary jurisdiction. The European Parliament “has a legitimate interest and an obligation to ensure that proper standards of governance prevail” at the patent office by virtue of the duties entrusted to the EPO under the unitary patent scheme, Juris Protecta said.

Croatian media has reported on the “Topić scandal” but nothing has been done, Juris Protecta Director Zlatko Zeljko told *Intellectual Property Watch*.



EU Parliament Petitions Committee Administrator Jos Heezen confirmed in April that the petition had arrived but had not yet been processed. It will “be duly processed and presented” to committee members, he said. But Heezen said it’s unlikely to be declared admissible because the EPO is an international organization set up on the basis of the European Patent Convention. While all EU member states are members of the EPO, the EU itself isn’t, so it can’t influence parliament’s decision-making, he said.

Juris Protecta doesn’t expect anything from the European Parliament, but “this matter will be accordingly treated” in next year’s Croatian presidential election, Zeljko said. Rival candidates will take advantage of a scandal, involving alleged embezzlement of large amounts of fees for musicians’ IP rights, in which the current president and another official were supported by Topić when he was in charge of SIPO, he said.

## **“Racist Prejudice?”**

Juris Protecta “consists of one man who has been spreading these allegations, apparently fabricated by Vesna Stilin, without even trying to contact me,” Topić told us. There are no civil proceedings or criminal charges against Topić in Croatia, and he has provided a required certificate showing no criminal record, he said. Stilin’s private lawsuit against him for alleged slander was dismissed, with Stilin ordered to pay all costs and legal fees, he said.

Asked what he’s doing to address this situation with EPO staff, Battistelli said Topić, like several other EPO managers, “has been the victim of a smear campaign, involving the circulation of anonymous letters, intended to undermine his credibility and capacity for action. I unreservedly condemn this kind of behaviour.”

The EPO president issued a 26 February 2013 memo to staff deploring the “defamation campaign” against his vice president and warning that anyone found to have played a role in it “will be called to account.

Battistelli added that he sometimes believes that “the thinking under the surface of these letters has a lot to do with discriminatory and even racist prejudice against people from this part of Europe.” As a “convinced European, I will always stand against this and make sure that all members of our staff, whatever their origin, feel at ease and respected at the Office.”



REPUBLIKA HRVATSKA  
DRŽAVNI ZAVOD ZA INTELEKTUALNO VLASNIŠTVO



Intellectual Property Watch



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