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IIPA Urges Government Action To Reduce Copyright Piracy, Open Markets, and Protect Creators

*In Special 301 Report, Copyright Industries Highlight Problems in Major Markets
Damaging the U.S. Economy and Creators, Including Ukraine, China, Russia, India, and Vietnam*

Washington—Overseas copyright piracy and market access barriers to U.S. copyrighted products and services have a significant negative financial impact on the U.S. economy and content creators, according to a submission made today by the International Intellectual Property Alliance® (IIPA®).

The submission, made to the U.S. Trade Representative (USTR) as part of its annual “Special 301” process, recommends reforms needed to address the theft of intellectual property and other barriers to overseas markets faced by U.S. industries that rely on copyright protection to produce movies, TV programming, music, software, video games, and books and journals. The submission:

- Documents online and hard goods piracy of copyright materials as well as market access barriers in 46 markets (see page 2 of this release for details on IIPA 2014 Special 301 Country Recommendations).
- Recommends that **Ukraine be maintained as a USTR-designated Priority Foreign Country**.
- Recommends 9 countries, including **China, India, Russia, and Vietnam, for placement on USTR’s Priority Watch List**.
- Recommends 19 other countries for placement on USTR’s Watch List.
- Highlights 12 key copyright and market access challenges faced by U.S. industries as they seek to reach foreign markets.¹

According to IIPA Counsel,² **“Modern and effective copyright protection and enforcement will permit U.S. copyright industries to continue and increase their huge contributions to U.S. jobs, exports, and economic growth. The Special 301 process shines a light on markets and market conditions that undermine creativity and innovation. This year’s IIPA Special 301 report identifies these markets and presents solutions to help American creators and companies that produce and publish copyright materials – music, motion pictures and television programming, business and entertainment software, and books and journals – and bring benefits to the U.S. economy, in terms of increased U.S. exports, the creation of good high-wage jobs here at home, and overall contributions to U.S. economic growth. Improved intellectual property protections and enforcement will also help grow the creative sectors and the economies of U.S. trading partners highlighted in the report.”**

The full report and more materials can be found at <http://www.iipa.com/special301.html>.

¹These include: 1) The Need for Deterrent Enforcement Responses to Copyright Piracy, 2) Internet Piracy, 3) Enterprise (Including Government) End-User Piracy of Software and Other Copyright Materials, 4) Hard-Disk Loading, Mobile Device Piracy, and “Media Boxes,” 5) Circumvention of Technological Protection Measures (TPMs), 6) Illegal Camcording of Theatrical Motion Pictures, 7) Piracy of Books and Journals, 8) Optical Disc Piracy, 9) Pay TV Piracy and Signal Theft, 10) Implementation of IPR Provisions in Trade Agreements, 11) Implementation of the WCT and WPPT, and 12) Market Access Barriers.

²Steven J. Metalitz, Eric Schwartz, Michael Schlesinger, Amanda Wilson Denton.



IIPA 2014 SPECIAL 301 RECOMMENDATIONS

PRIORITY FOREIGN COUNTRY	PRIORITY WATCH LIST	WATCH LIST	OUT-OF-CYCLE REVIEWS	SPECIAL MENTION
Ukraine	Argentina Chile China (306) ³ Costa Rica India Indonesia Russian Federation Thailand Vietnam	Belarus Brazil Bulgaria Canada Ecuador Greece Israel Kazakhstan Kuwait Mexico Romania Saudi Arabia Switzerland Taiwan Tajikistan Turkey Turkmenistan United Arab Emirates Uzbekistan	Italy Spain	Hong Kong Malaysia Philippines
				ADDITIONAL COUNTRIES
				Albania Bosnia and Herzegovina Estonia Georgia Macedonia Malta Moldova Montenegro
1	9	19	2	11

About the IIPA: The IIPA is a private sector coalition, formed in 1984, of trade associations representing U.S. copyright-based industries working to improve international protection and enforcement of copyright materials and to open foreign markets closed by piracy and other market access barriers. IIPA’s seven member associations represent over 3,200 U.S. companies producing and distributing materials protected by copyright laws throughout the world. This includes all types of computer software, including operating systems, systems software such as databases and security packages, business applications, and consumer applications such as games, personal finance, and reference software, free software, open source software, and software as a service; entertainment software including interactive games for videogame consoles, handheld devices, personal computers and the Internet, and educational software; motion pictures, television programming, DVDs and home video and digital representations of audiovisual works; music, records, CDs, and audiocassettes; and fiction and non-fiction books, education instructional and assessment materials, and professional and scholarly journals, databases and software in all formats. Members of the IIPA include [Association of American Publishers](#), [BSA | The Software Alliance](#), [Entertainment Software Association](#), [Independent Film & Television Alliance](#), [Motion Picture Association of America](#), [National Music Publishers’ Association](#), and [Recording Industry Association of America](#).

In November 2013, IIPA released the latest update of the comprehensive economic report, *Copyright Industries in the U.S. Economy: The 2013 Report*, prepared by Stephen Siwek of Economists Inc. The study tracks the economic impact and contributions of U.S. industries creating, producing, distributing, broadcasting or exhibiting copyright materials, including computer software, videogames, books, newspapers, periodicals and journals, motion pictures, music, and radio and television programming. For the first time, we reported that the “core” copyright industries added over \$1 trillion in value to the U.S. economy in a single year, accounting for almost 6.5% of the total U.S. gross domestic product (GDP). These industries employed nearly 5.4 million U.S. workers – nearly 5% of the total private employment sector – with jobs paying an average of 33% more than the rest of the workforce. They also grew at an aggregate annual rate of 4.7%, more than twice the rate of growth for the U.S. economy. The core copyright industries accounted for \$142 billion in foreign sales and exports, far more than sectors such as aerospace, agriculture, food, and pharmaceuticals and medicines.⁴ The link between copyright protection and economic growth is documented by the World Intellectual Property Organization (WIPO) study, *WIPO Studies on the Economic Contribution of Copyright: Overview* (2013), compiling studies employing virtually the same agreed-upon methodology in 40 countries.⁵

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³The notation “306” refers to monitoring of a country’s compliance with trade agreements with the U.S. under section 306 of the Trade Act.

⁴See Stephen E. Siwek, *Copyright Industries in the U.S. Economy: The 2013 Report*, November 19, 2013, at http://www.iipa.com/copyright_us_economy.html. Core copyright industries are those whose primary purpose is to create, produce, distribute, or exhibit copyright materials.

⁵WIPO *Studies on the Economic Contribution of Copyright: Overview* (2013), available at http://www.wipo.int/export/sites/www/copyright/en/performance/pdf/economic_contribution_analysis_2012.pdf, last accessed February 3, 2014.