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## Statement of the International Intellectual Property Alliance (IIPA)

### Supporting the Administration's Issuance of the Joint Strategic Plan for Intellectual Property Enforcement

Washington, D.C. — Yesterday the Obama Administration released its 2010 Joint Strategic Plan for Intellectual Property Enforcement, as required by the PRO-IP (Prioritizing Resources and Organization for Intellectual Property (PRO-IP) Act of 2008. This morning, Victoria Espinel, the U.S. Intellectual Property Enforcement Coordinator (IPEC), testified on the strategic plan before the Senate Judiciary Committee.

The International Intellectual Property Alliance (IIPA) is a coalition of seven U.S. trade associations representing 1,900 U.S. copyright-based companies, and provided comments to the IPEC in March as part of the public comment process. Eric H. Smith of the IIPA issued the following statement regarding the new plan:

IIPA and its members thank the Administration, and the leadership of IPEC Espinel, in developing this Joint Strategic Plan for IP enforcement. The U.S. government agencies involved in the efforts to strengthen copyright protection and enforcement at home and abroad are to be commended for their ongoing efforts.

The strategy contains more than thirty recommendations for improvement in the government's efforts, falling into six categories. An area of particular concern and importance to IIPA and its members is working with trading partners and international organizations to better enforce American IP rights in the global economy. The continued ability of the U.S. copyright industries to create good American jobs and to play a leading role in U.S. economic recovery and growth depends on their access to overseas markets, which account for an increasing percentage of their revenue base. Copyright piracy remains a major barrier to that market access. We applaud the IPEC for her report's focus on the impact of global copyright piracy, both online and offline, on the U.S. economy. Recommended steps such as enhanced efforts to cooperate with foreign law enforcement agencies, better coordination of training, and more comprehensive use of trade policy tools, for example, are all critical actions that will have an impact on the U.S. economy and will demonstrate U.S. leadership in the area of creativity and innovation.

The copyright-based industries are one of the fastest growing and strongest sectors of the 21st century economy. The core copyright-based industries in the U.S. represent over 6% of the U.S. gross domestic product (see IIPA statistics below). IIPA and our members look forward to continuing our work with the IPEC and the entire interagency on efforts to strengthen copyright protection, education and enforcement abroad.

## **The Importance of the U.S. Copyright Industries on the U.S. Economy and Foreign Trade**

On July 20, 2009, the IIPA released an economic report entitled Copyright Industries in the U.S. Economy: The 2003 - 2007 Report, the twelfth study written by Stephen Siwek of Economists Inc. for the IIPA since 1990. This report details the economic impact and contributions of U.S. copyright industries to U.S. Gross Domestic Product, employment, economic growth and trade. In sum:

- The latest data show that the “core” U.S. copyright industries accounted for an estimated \$889.1 billion or 6.44% of the U.S. gross domestic product (GDP) in 2007. These “core” industries were responsible for 22.74% of the real economic growth achieved by the U.S. economy in 2006-2007.
- In addition, the “core” copyright industries employed 5.6 million workers in 2007 (4.05% of U.S. workers) in 2007. Our report also provides data on the estimated average annual compensation for a worker in the core copyright industries: \$73,554, which represents a 30% premium over the compensation paid the average U.S. worker.
- Estimated 2007 foreign sales and exports of the core copyright industries increased to at least \$126 billion, leading other major industry sectors. Those sectors include: chemicals and related products (not including medicinal and pharmaceutical products); motor vehicles, parts and accessories; aircraft and associated equipment; food and live animals; and medicinal and pharmaceutical products.

This is the third IIPA report which follows the statistical methodology outlined by WIPO in its 2003 Guide on Surveying the Economic Contribution of the Copyright-Based Industries.

IIPA’s economic report is posted online on the IIPA website at the following link:  
<http://www.iipa.com/pdf/IIPASiwekReport2003-07.pdf>

The IPEC’s 2010 Joint Strategic Plan is posted on the White House website at  
[http://www.whitehouse.gov/omb/assets/intellectualproperty/intellectualproperty\\_strategic\\_plan.pdf](http://www.whitehouse.gov/omb/assets/intellectualproperty/intellectualproperty_strategic_plan.pdf).

### **About the IIPA and its Members**

The International Intellectual Property Alliance (IIPA) is a coalition of seven trade associations -- the Association of American Publishers (AAP), the Business Software Alliance (BSA), the Entertainment Software Association (ESA), the Independent Film & Television Alliance (IFTA), the Motion Picture Association of America (MPAA), the National Music Publishers' Association (NMPA) and the Recording Industry Association of America (RIAA) -- which represent the U.S. copyright-based industries in bilateral and multilateral efforts to open up foreign markets closed by piracy and other market access barriers.

These member associations represent over 1,900 companies producing and distributing materials protected by copyright laws throughout the world -- business software (operating systems, Internet enabling software, browsers, search engines, office productivity software, database management software, green technology enabling software, security software and mobile technologies); entertainment software (interactive games for video game consoles, handheld devices, personal computers, and the Internet); theatrical films, television programs, home videos and digital representations of audiovisual works; musical compositions, recorded music, CDs, and audiocassettes; and textbooks, trade books, reference and professional publications and journals, in both print and electronic media. Visit [www.iipa.com](http://www.iipa.com).