Creative Industries Call for Increased Government Engagement in Key Markets to Bolster Copyright Protection and Market Access

*Seek to Capitalize on Opportunities, Address Challenges in BRIC, SE Asia, and European Markets, and Ensure Trade Agreement Compliance*

Washington—The nation’s leading creative industries, whose products are protected by copyright laws, today called on the U.S. government to engage in key international markets to foster legitimate business opportunities, particularly online, and to address acts, practices and policies that stand as obstacles to achieving this goal.

The call to action was made in a submission by the International Intellectual Property Alliance® (IIPA®) in the annual “Special 301” review, through which the Office of the U.S. Trade Representative conducts a Congressionally-mandated review of intellectual property protection and market access practices in foreign countries, and spells out where the most serious problems exist.

In filing its submission, the IIPA noted that the core copyright industries are a major segment of the U.S. economy and generated over $1.1 trillion dollars of economic output in 2013, accounting for 6.71% of the entire economy. The industries employed nearly 5.5 million workers, accounting for over 4% of the entire U.S. workforce, and nearly 5% of total private employment.

The submission:
- Focuses on key markets where IIPA members are active and where sustained engagement by the U.S. government will reap positive results for creators of movies, television programming, music, video games, books and journals.
- Recommends 7 countries—Chile, China, India, Indonesia, Russia, Thailand, and Vietnam—for placement on USTR’s Priority Watch List.
- Recommends 7 countries—Brazil, Canada, Colombia, Mexico, Switzerland, Taiwan, and United Arab Emirates—for placement on USTR’s Watch List.
- Recommends Out-of-Cycle Reviews (OCRs) in Hong Kong and Indonesia, and urges U.S. government Special Engagement with Spain and Italy.

According to Steven J. Metalitz, IIPA Counsel, “The ultimate goal of Special 301 is not to catalogue trade barriers as such, but rather to enhance the ability of U.S. creators to reach foreign markets through legitimate channels in competitive and growing marketplaces, physical and online. Many of the changes needed in foreign markets in order to advance this goal—higher standards of copyright protection, efficient copyright enforcement, sound legal structures for licensing, and elimination of market access barriers—also help our trading partners to develop, nurture, and enjoy the benefits of their own cultural and creative output. The real beneficiary is the consumer, who will have greater access, through more avenues than ever before, to increasingly diverse creative output—the literary works, music, movies and TV programming, video games, software, and other products and services that depend on or are protected by copyright.

This year’s IIPA Submission focuses on markets where IIPA members are actively engaged, and/or where we believe active engagement by the U.S. government will reap positive results for creators and the industries that support them. We applaud USTR for making the Special 301 process a positive catalyst for change to address our industries’ key challenges in important markets around the world.”
The full report and more materials can be found at [http://www.iipa.com/special301.html](http://www.iipa.com/special301.html). For more information, contact: Steven J. Metalitz, Michael Schlesinger, Eric Schwartz, Amanda Wilson Denton at (202) 355-7900.

**About the IIPA:** 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 copyrighted materials and to open foreign markets closed by piracy and other market access barriers. IIPA’s five member associations represent over 3,200 U.S. companies producing and distributing materials protected by copyright laws throughout the world. These include entertainment software including interactive games for video game 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 ([www.publishers.org](http://www.publishers.org)), Entertainment Software Association ([www.theesa.com](http://www.theesa.com)), Independent Film & Television Alliance ([www.ifta-online.org](http://www.ifta-online.org)), Motion Picture Association of America ([www.mpaa.org](http://www.mpaa.org)), and Recording Industry Association of America ([www.riaa.com](http://www.riaa.com)).

In December 2014, IIPA released the latest update of its economic report, *Copyright Industries in the U.S. Economy: The 2014 Report*, prepared by Stephen E. Siwek of Economists Inc. According to the report, the “core” copyright industries in the U.S. generated over $1.1 trillion dollars of economic output in 2013, accounting for 6.71% of the entire economy. The core copyright industries also employed nearly 5.5 million workers in 2013, accounting for over 4% of the entire U.S. workforce, and nearly 5% of total private employment in the U.S. These workers earn on average 34% higher wages than other U.S. employees. The core copyright industries also outpaced the U.S. economy, growing at 3.9% between 2009 and 2013, while the U.S. economy grew by 2.25%. When factoring in other industries that contribute to the copyright economy (which together make up the “total” copyright industries), the numbers are even more impressive. Finally, the report highlights the positive contribution of selected copyright sectors to the U.S. overall trade balance. In 2013, these sectors contributed $156 billion in foreign sales and exports, exceeding that of many other industry sectors, including: chemicals, aerospace products and parts, agriculture, and pharmaceuticals and medicines. Studies such as this amply demonstrate the contribution of creators, and the copyright-based industries that support them, to the economy.

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1The notation “306” refers to monitoring of a country’s compliance with trade agreements with the U.S. under Section 306 of the Trade Act.

2While IIPA does not provide a separate report on Hong Kong this year, we recommend an [Out-of-Cycle Review](http://www.iipa.com/special301.html) (OCR) to monitor whether Hong Kong has enacted long-overdue copyright modernization legislation for the digital networked environment, while rejecting proposals to insert a broad and ill-defined exception to the exclusive rights of copyright owners, modeled on the user-generated content exception recently adopted in Canada.