

FOR IMMEDIATE RELEASE

January 28, 2021

Leading U.S. Creative Industries Identify Global Challenges To Expanding Legitimate Digital Marketplace

IIPA Urges U.S. Government to Help Ensure Trading Partners Strengthen Copyright Protection, Improve Enforcement Against Online Piracy, and Open Foreign Markets

Washington—Today, the nation's leading creative industries asked the U.S. government to ensure that our trading partners provide strong copyright laws, effectively and efficiently enforce those laws, and remove other discriminatory and restrictive barriers to expand digital trade in music, movies, TV programming, literary works, video games and other copyrighted materials. As America's creators respond to the challenges presented by the COVID-19 pandemic and work to meet worldwide consumer demand for their goods and services, strong copyright protection and elimination of other barriers in these markets are critical for our industries, which in 2019 contributed over \$1.5 trillion to the United States economy and accounted for almost six million American jobs.

The International Intellectual Property Alliance (IIPA) filed its annual "Special 301" submission to the Office of the U.S. Trade Representative (USTR), recommending 20 countries for inclusion on USTR's Special 301 watch lists because of concerns regarding the protection and enforcement of copyright and/or market access barriers in those countries.

IIPA Counsel Eric J. Schwartz said: "The American creative sector is a critical driving force for creating quality jobs, sustaining good wages, and growing the economy. The creative community makes outsized contributions not only to our culture and quality of life, particularly in these challenging times, but also to the millions who work in this sector and to all Americans benefitting from the economic recovery our industries are helping to lead. American creators are also at the forefront of technological advances, creating and disseminating creative content using a wide variety of media and ever-more sophisticated systems and new digital business models. The result: more creative content is now legally available, in more diversified ways, and with more varied pricing options than at any other time in history, for the enrichment and enjoyment of consumers. IIPA's Special 301 filing identifies barriers to the creative sector in foreign markets and deficiencies in their legal or enforcement regimes, all of which diminish our industries' contributions to employment and economic growth in the United States."

Schwartz concluded: "We look forward to working with the Biden Administration to advance a worker-centric trade policy. Fundamental to such a policy is opening key markets around the world to products and services that embody American creativity, support U.S. jobs, and promote creators' contributions to our economy and society. We commend the staff at USTR and the other U.S. government agencies for working through very challenging circumstances to ensure the Special 301 process remains a positive catalyst for change and to improve protections, which help to create more well-paying American jobs, promote U.S. exports, and contribute substantially to healthy economic growth in the U.S. and abroad."

IIPA's submission focuses on several key markets where continued engagement by the U.S. government can reap more positive results for creators and the industries that support and invest in them. IIPA recommends the following:

- Eleven countries—**Argentina, Chile, China, India, Indonesia, Mexico, Russian Federation, South Africa, Taiwan, Ukraine, and Vietnam**—for placement on USTR's **Priority Watch List**; and
- Nine countries—**Brazil, Canada, Colombia, Ecuador, Kenya, Switzerland, Thailand, Turkey and United Arab Emirates**—for placement on USTR's **Watch List**.

Among the cross-cutting challenges highlighted in IIPA's Special 301 submission are:

- **Alarming trends in national copyright law amendments** that focus on weakening copyright protections, often falling below minimum global norms.



- The need for legal frameworks adapted to **meet the challenge of online piracy**, including adequate legal incentives for intermediaries to cooperate with copyright owners to keep the digital marketplace secure and healthy, and making effective injunctive relief available to remedy online theft of intellectual property.
- The global proliferation of **Piracy Devices**: set-top boxes and other devices weaponized with software and apps that enable unauthorized access to streaming music, video, games, and published materials. While China is the major source of Piracy Devices, their impact now undermines legitimate digital marketplaces worldwide.
- **Stream-ripping services** and other illegal means of circumventing technological protection measures that are essential to new digital consumer services—from streaming and downloading, to innovative entertainment software.
- A large number of trading partners still need to accede to, or fully implement, the **World Intellectual Property Organization Internet Treaties**, which set global, minimum copyright standards for the digital environment.
- **Market access barriers**, including rules and regulations that discriminate against U.S. copyright-based businesses and their products.

The full report and more materials can be found at <https://iipa.org/reports/special-301-reports/>. For more information, contact: the IIPA at (202) 355-7900 or at info@iipa.org.

IIPA 2021 Special 301 Recommendations	
Priority Watch List	Watch List
Argentina	Brazil
Chile	Canada
China	Colombia
India	Ecuador
Indonesia	Kenya
Mexico	Switzerland
Russian Federation	Thailand
South Africa	Turkey
Taiwan	United Arab Emirates
Ukraine	
Vietnam	
11	9

About the IIPA: IIPA is a private sector coalition, formed in 1984, of trade associations representing U.S. copyright-based industries working to improve copyright protection and enforcement abroad and to open foreign markets closed by piracy and other market access barriers. Members of the IIPA include Association of American Publishers (www.publishers.org), Entertainment Software Association (www.theesa.com), Independent Film & Television Alliance (www.ifta-online.org), Motion Picture Association (www.motionpictures.org), and Recording Industry Association of America (www.riaa.com). Collectively, IIPA's five member associations represent over 3,200 U.S. companies producing and distributing copyrightable content. The materials produced and distributed by IIPA member companies include entertainment software (including interactive video games for 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 recorded in all formats (from digital files to CDs and vinyl) for streaming and other online services, as well as broadcasting, public performance and synchronization in audiovisual materials; and fiction and non-fiction books, educational, instructional and assessment materials, and professional and scholarly journals, databases and software in all formats.

In December 2020, IIPA released the latest update of its comprehensive economic report, *Copyright Industries in the U.S. Economy: The 2020 Report*, prepared by Economists Inc. (2020 Report). According to the 2020 Report, the "core" copyright industries in the United States generated over \$1.5 trillion of economic output in 2019, accounting for 7.41% of the entire economy, and employed approximately 5.7 million workers in 2019, accounting for 3.79% of the entire U.S. workforce and 4.46% of total private employment in the U.S. The jobs created by these industries are well-paying jobs; for example, copyright industry workers earn on average 43% higher wages than other U.S. workers. In addition, according to the 2020 Report, the core copyright industries outpaced the U.S. economy, growing at an aggregate annual rate of 5.87% between 2016 and 2019, while the U.S. economy grew by 2.48%. When factoring in other industries that contribute to the copyright economy (which together comprise what the 2020 Report calls the "total" copyright industries), the numbers are even more compelling. Additionally, the 2020 Report highlights the positive contribution of selected copyright sectors to the U.S. overall trade balance. Given the importance of digital delivery to the copyright-based industries, this sector has the potential to multiply its export revenues if our trading partners provide strong copyright-protective environments. In 2019, these sectors contributed \$218.8 billion in foreign sales and exports, exceeding that of many other industry sectors, including chemicals, pharmaceutical and medicines, electronic equipment, appliances and components, agricultural products, and aerospace products and parts. The full economic report is available at <https://iipa.org/reports/copyright-industries-us-economy/>.