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January 31, 2022

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, America’s leading creative industries filed their annual “Special 301” submission to the Office of the U.S. Trade Representative (USTR), asking the U.S. government to ensure our trading partners provide strong copyright laws, effectively and efficiently enforce those laws, and eliminate other discriminatory and restrictive barriers to digital trade in music, movies, TV programming, literary works, video games, and other copyrighted materials. Opening these markets, including by strengthening copyright policies and enforcement, is critical for our creative industries to continue their substantial contributions to the U.S. economy, which in 2019 represented \$1.5 trillion in economic output and almost six million well-paying American jobs, nearly 4.5% of total domestic private employment.

IIPA Executive Director Kevin M. Rosenbaum said: “The U.S. creative industries create millions of well-paying, quality jobs and grow the economy, while enriching our lives and culture every day. Creators have done their part, embracing new technologies and making creative content widely and conveniently available in legitimate markets online. The U.S. government should support those efforts by working to address foreign governments’ policies and practices that deny adequate protection and enforcement of copyright and fair and equitable access to their markets.”

Rosenbaum concluded: “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, should be a key component of the Administration’s worker-centered trade policy. We commend USTR and interagency partners for working through very challenging circumstances again this year to ensure the Special 301 process remains a positive catalyst for change.”

IIPA’s submission focuses on several key markets and recommends the following:

- Eleven countries—**Argentina, Chile, China, Ecuador, India, Indonesia, Mexico, Russian Federation, South Africa, Ukraine, and Vietnam**—for placement on USTR’s **Priority Watch List**; and
- Eight—**Brazil, Canada, Colombia, Poland, Switzerland, Taiwan, Thailand, 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 weaken copyright protections below minimum global norms.
- The need for stronger legal frameworks to **address online piracy**, including incentives for intermediaries to work with copyright owners, and effective injunctive relief 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. China is the major source of Piracy Devices, which undermine legitimate digital marketplaces worldwide.



- **Stream-ripping services** and other illegal means of **circumventing the technological protection measures** that are essential to the delivery of digital consumer goods and services—whether they are streamed, downloaded, accessed online, or purchased in physical form.
- Many 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** include taxes, 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) 968-4472 or at info@iipa.org.

IIPA 2022 Special 301 Recommendations	
Priority Watch List	Watch List
Argentina	Brazil
Chile	Canada
China	Colombia
Ecuador	Poland
India	Switzerland
Indonesia	Taiwan
Mexico	Thailand
Russian Federation	United Arab Emirates
South Africa	
Ukraine	
Vietnam	
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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/>.