



Highlights of [GAO-07-74](#), a report to the Chairman, Committee on Government Reform, House of Representatives

Why GAO Did This Study

U.S. government efforts to protect and enforce intellectual property (IP) rights are crucial to preventing billions of dollars in losses and mitigating health and safety risks from trade in counterfeit and pirated goods. These efforts are coordinated through the National Intellectual Property Law Enforcement Coordination Council (NIPLECC), created by Congress in 1999, and the Strategy for Targeting Organized Piracy (STOP), initiated by the Bush administration in 2004. This report describes the evolution of NIPLECC and STOP, assesses the extent to which STOP addresses the desirable characteristics of an effective national strategy, and evaluates the challenges to implementing a strategy for protecting and enforcing IP rights. GAO examined relevant documents, interviewed agency and industry officials, and assessed STOP using criteria previously developed by GAO.

What GAO Recommends

To improve strategic planning for IP protection, GAO recommends that the IP Coordinator, in consultation with the National Security Council and the STOP agencies (1) take steps to ensure that STOP fully addresses the six characteristics of a national strategy and (2) clarify how NIPLECC will carry out its oversight and accountability responsibilities in implementing STOP as its strategy. The IP Coordinator concurred with both recommendations.

www.gao.gov/cgi-bin/getrpt?GAO-07-74.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Loren Yager at (202) 512-4128 or yagerl@gao.gov.

INTELLECTUAL PROPERTY

Strategy for Targeting Organized Piracy (STOP) Requires Changes for Long-term Success

What GAO Found

Although NIPLECC and STOP originated under different authorities, the lines between them have become increasingly blurred. NIPLECC is a coordinating council, while STOP is a strategy involving coordination led by the National Security Council. While NIPLECC has struggled to define its purpose, STOP generated coordination and attention to IP protection from the outset. Congress gave NIPLECC an oversight role, funding, and an IP Coordinator as its head in 2005, but STOP remains prominent. Their functions, however, increasingly overlap. The IP Coordinator regularly conducts STOP activities and speaks for STOP before Congress and private industry. Most significantly, NIPLECC recently adopted STOP as its strategy.

STOP is a good first step toward a comprehensive integrated national strategy to protect and enforce IP rights and has energized protection efforts. GAO found, however, that STOP's potential is limited because it does not fully address the characteristics of an effective national strategy, which GAO believes helps increase the likelihood of accountability, as well as effectiveness. STOP does not fully address characteristics related to planning and accountability. For example, its performance measures lack baselines and targets. STOP lacks a discussion of costs, the types and sources of investments needed, and processes to address risk management. Finally, STOP lacks a full discussion oversight responsibility.

The current structures present several challenges to implementing a long-term strategy. First, NIPLECC retains an image of inactivity, and many private sector groups GAO interviewed were unclear about its role. STOP, despite its energy and prominence, lacks permanence beyond the current administration. Second, NIPLECC's commitment to implementing an effective strategy is unclear. For instance, NIPLECC's recent annual report does not explain how it plans to provide oversight. NIPLECC officials have sent mixed signals about STOP's role, with one saying STOP should include metrics to measure progress, and another calling STOP an account of administration efforts, not a strategy.

Extent STOP Addresses GAO's Desirable Characteristics of an Effective National Strategy

1. Clear purpose, scope, methodology	●
2. Detailed discussion of problems and assessment of risks	●
3. Desired goals, objectives, activities, and performance goals	●
4. Description of resources, investments and risk management	○
5. Delineation of organizational roles, responsibilities, and coordination	●
6. Description of strategy's integration with other agencies	●

● Fully addresses ● Partially addresses ○ Does not address

Source: GAO.