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# Highlights

Highlights of [GAO-04-1093T](#), a testimony before the Committee on Government Reform, House of Representatives

## Why GAO Did This Study

Although the U.S. government provides broad protection for intellectual property, intellectual property protection in parts of the world is inadequate. As a result, U.S. goods are subject to piracy and counterfeiting in many countries. A number of U.S. agencies are engaged in efforts to improve protection of U.S. intellectual property abroad. This testimony, based on a recent GAO report, describes U.S. agencies' efforts, the mechanisms used to coordinate these efforts, and the impact of these efforts and the challenges they face.

## What GAO Recommends

GAO is not recommending executive action. However, the Congress may wish to review the National Intellectual Property Law Enforcement Coordination Council's authority, operating structure, membership, and mission.

## INTELLECTUAL PROPERTY

# U.S. Efforts Have Contributed to Strengthened Laws Overseas, but Challenges Remain

## What GAO Found

U.S. agencies undertake policy initiatives, training and assistance activities, and law enforcement actions in an effort to improve protection of U.S. intellectual property abroad. Policy initiatives include assessing global intellectual property challenges and identifying countries with the most significant problems—an annual interagency process known as the “Special 301” review—and negotiating agreements that address intellectual property. In addition, many agencies engage in training and assistance activities, such as providing training for foreign officials. Finally, a small number of agencies carry out law enforcement actions, such as criminal investigations involving foreign parties and seizures of counterfeit merchandise.

Agencies use several mechanisms to coordinate their efforts, although the mechanisms' usefulness varies. Formal interagency meetings—part of the U.S. government's annual Special 301 review—allow agencies to discuss intellectual property policy concerns and are seen by government and industry sources as rigorous and effective. However, the National Intellectual Property Law Enforcement Coordination Council, established to coordinate domestic and international intellectual property law enforcement, has struggled to find a clear mission, has undertaken few activities, and is generally viewed as having little impact.

U.S. efforts have contributed to strengthened intellectual property legislation overseas, but enforcement in many countries remains weak, and further U.S. efforts face significant challenges. For example, competing U.S. policy objectives take precedence over protecting intellectual property in certain regions. Further, other countries' domestic policy objectives can affect their “political will” to address U.S. concerns. Finally, many economic factors, as well as the involvement of organized crime, hinder U.S. and foreign governments' efforts to protect U.S. intellectual property abroad.

### Pirated DVDs from Brazil, China, and Ukraine



Source: GAO.

[www.gao.gov/cgi-bin/getrpt?GAO-04-1093T](http://www.gao.gov/cgi-bin/getrpt?GAO-04-1093T).

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](mailto:yagerl@gao.gov).