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Administration's Annual IP Report: IP Related Prosecutions Up, Focus on Health and Safety Redoubled

WASHINGTON—U.S. Coordinator for International Intellectual Property Enforcement Chris Israel released the administration's *Annual Report to the President and Congress on Coordination of Intellectual Property Enforcement and Protection* today. The *Annual Report* conveys the yearly accomplishments and establishes priorities for the upcoming year for the federal agencies responsible for protecting and enforcing American intellectual property (IP) rights, both domestically and abroad.

"Creativity and innovation are the lifeblood of the American economy, and intellectual property protection is vital to ensure our economic health now and for the future," said Commerce Secretary Carlos M. Gutierrez. "The Bush Administration recognizes the importance of IP rights and is dealing with counterfeiting and piracy through strong enforcement here at home and increased engagement abroad. We realize there's more work to be done and will work to meet the goals outlined in the report."

"The record increases in intellectual property enforcement carried out by U.S. law enforcement and other NIPLECC agencies during the past year prove the importance and effectiveness of our coordinated efforts," said Assistant Attorney General Alice S. Fisher. "The Department of Justice is committed to enhancing our already substantial efforts to address this growing problem."

Highlights cited in the *Annual Report* include:

- Record increases in IP-related investigations and prosecutions. The Department of Justice reports substantial increases in federal investigations and prosecutions of IP violations. The Department filed 217 IP cases in FY2007, representing a 7% increase over cases reported in FY2006 (204), and a 33% increase over cases reported in FY2005 (169). Also in FY2007, 287 defendants were sentenced for IP crimes, representing a 35% increase over FY2006 (213) and a 92% increase over FY2005 (149);
- Enhanced border enforcement. The Department of Homeland Security reports the estimated value of the goods seized by border agents continues to rise, this year, by approximately 27%, up to approximately \$200 million;
- Increased emphasis on the annual Special 301 Review, the USTR-led analysis of intellectual property protection within each country worldwide;

- Expanded engagement within the World Trade Organization (WTO) in an attempt to resolve IP-related trade disputes;
- The launch of a major multilateral anti-counterfeiting initiative, the Anti-Counterfeiting Trade Agreement;
- Deepened bilateral and multilateral relationships, such as the U.S.-EU Summit, G8, and Asia Pacific Economic Cooperation (APEC); and
- Redoubled focus by all agencies on the public health and safety implications of counterfeit goods.

"As this year's report underscores, the administration has a achieved a great deal with respect to protecting U.S. intellectual property--valued at more than \$5 trillion," said Deputy Under Secretary of Commerce for Intellectual Property and Deputy Director of the USPTO Margaret J.A. Peterlin. "This year, the USPTO completed our Global Intellectual Property Academy, which allowed us to train more than 700 foreign officials on how to strengthen their IP rights and enforcement, which will benefit American IP rights holders around the world."

"This year's report demonstrates the continued commitment of the Administration to protect intellectual property rights with a coordinated, results-driven approach," said Israel. "The Administration has made IP enforcement a high priority through senior-level leadership and smarter coordination. While widespread counterfeiting and piracy remains a serious problem, we are improving the global marketplace for American rights holders."

The Annual Report to the President and Congress on Coordination of Intellectual Property Enforcement and Protection is published by the Office of the U.S. Coordinator for International Intellectual Property Enforcement, which heads the National Intellectual Property Law Enforcement Coordination Council (NIPLECC). NIPLECC is composed of the five federal agencies involved in intellectual property enforcement, including the Departments of Commerce, Homeland Security, and Justice; the State Department; and the Office of the U.S. Trade Representative. The Annual Report to the President and Congress on Coordination of Intellectual Property Enforcement and Protection can be found online at www.stopfakes.gov