



Highlights of [GAO-08-921T](#), a testimony before the Committee on the Judiciary, U.S. Senate

Why GAO Did This Study

U.S. government efforts to protect and enforce intellectual property (IP) rights domestically and overseas are crucial to preventing billions of dollars in losses to U.S. industry and IP rights owners. The illegal importation and distribution of IP-infringing goods also poses a threat to the health and safety of U.S. citizens. However, the challenges involved in IP protection are significant and require effective coordination among a wide range of policy and law enforcement agencies. Multiple agencies work to protect IP rights, and they coordinate their efforts through certain coordination bodies as well as an executive-branch strategy called the Strategy Targeting Organized Piracy (STOP).

This testimony addresses two topics: the need for (1) greater leadership and permanence in the national IP enforcement strategy and coordination structure; and (2) improvement in key agencies' criminal IP enforcement data collection and analysis. It is based on prior GAO work conducted from 2003 to 2008.

What GAO Recommends

Previous GAO reports recommended, among other things, improvements in the strategic planning and coordination of IP enforcement efforts and in agency collection and analysis of IP enforcement data. The affected agencies generally agreed with our recommendations and some have begun taking steps in response.

To view the full product, including the scope and methodology, click on [GAO-08-921T](#). For more information, contact Loren Yager at (202) 512-4347 or yagerl@gao.gov.

INTELLECTUAL PROPERTY

Leadership and Accountability Needed to Strengthen Federal Protection and Enforcement

What GAO Found

The coordinating structure that has evolved for protecting U.S. intellectual property rights lacks leadership and permanence, presenting challenges for effective long-term coordination. The National Intellectual Property Law Enforcement Coordination Council (NIPLECC), created by Congress in 1999, serves to coordinate IP protection and enforcement across agencies; and STOP, initiated by the White House in 2004, is the strategy that guides the council. NIPLECC has struggled to define its purpose and has an image of inactivity within the private sector. It continues to have leadership problems despite enhancements made by Congress in 2004 to strengthen its role. STOP, which is led by the National Security Council, has a more positive image compared to NIPLECC, but lacks permanence since its authority and influence could disappear after the current administration. While NIPLECC adopted STOP in 2006 as its strategy for protecting IP overseas, its commitment to implementing STOP as a national strategy remains unclear, creating challenges for accountability and long-term viability.

Agencies within the Departments of Justice, Homeland Security, and Health and Human Services that play a role in fighting IP crimes through seizures, investigations, and prosecutions need to improve their collection and analysis of IP enforcement data. IP enforcement is generally not the highest priority for these agencies, given their broad missions, but addressing IP crimes with a public health and safety risk, such as counterfeit pharmaceuticals, is an important activity at each agency. Federal IP enforcement actions generally increased during fiscal years 2001–2006, but the agencies have not taken steps to assess their achievements. For example, despite the importance assigned to targeting IP crimes that affect public health and safety, most agencies lack data on their efforts to address these types of crimes. Also, most have not systematically analyzed their IP enforcement statistics to inform management and resource allocation decisions or established IP-related performance measures or targets. In addition, the National Intellectual Property Rights Coordination Center, created to coordinate federal IP investigative efforts, has not achieved its mission. Participating agencies have lacked a common understanding of the center's purpose and their roles in relation to it, and staff levels have declined.