

GAO
Accountability · Integrity · Reliability

Highlights

Highlights of [GAO-05-788T](#), testimony before the Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, Committee on Homeland Security and Government Affairs, United States Senate

Why GAO Did This Study

Although the U.S. government provides broad protection for intellectual property domestically, 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 prior GAO report as well as recent work, 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.

INTELLECTUAL PROPERTY

U.S. Efforts Have Contributed to Strengthened Laws Overseas, but Significant Enforcement 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 identifying countries with the most significant problems—an annual interagency process known as the “Special 301” review. In addition, many agencies engage in assistance activities, such as providing training for foreign officials. Finally, a small number of agencies carry out law enforcement actions, such as criminal investigations and seizures of counterfeit merchandise.

Agencies use several mechanisms to coordinate their efforts, although the mechanisms' usefulness varies. The National Intellectual Property Law Enforcement Coordination Council, established in 1999 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 despite recent congressional action to strengthen the council. The Congress's action included establishing the role of Coordinator, but the position has not yet been filled (although the selection process is underway). The Administration's October 2004 Strategy Targeting Organized Piracy (STOP!) is intended to strengthen U.S. efforts to combat piracy and counterfeiting. Thus far, the initiative has resulted in some new actions and emphasized other ongoing efforts.

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 such as national security interests 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-05-788T.

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.