## 109TH CONGRESS 2D SESSION

## H. CON. RES. 380

Expressing the sense of Congress that United States intellectual property rights must be protected globally.

## IN THE HOUSE OF REPRESENTATIVES

APRIL 5, 2006

Mr. Schiff (for himself and Mr. Goodlatte) submitted the following concurrent resolution; which was referred to the Committee on International Relations, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

## **CONCURRENT RESOLUTION**

Expressing the sense of Congress that United States intellectual property rights must be protected globally.

Whereas the United States is the world's largest creator, producer, and exporter of copyrighted materials;

Whereas this important sector of the United States economy continues to be at great risk due to the widespread unauthorized reproduction, distribution, and sale of copyrighted United States works, including motion pictures, home video and television programming, music and sound recordings, books, video games, and software;

Whereas estimates point to a rate of intellectual property piracy of between 70 to 90 percent in some countries, with

- annual losses to the United States economy in the billions of dollars;
- Whereas the major copyright industries are responsible for an estimated 6 percent of the Nation's total gross domestic product and an annual employment rate of more than 3 percent;
- Whereas strong overseas sales and exports by the major copyright industries are even more important as the United States trade deficit continues to increase, and as the United States economy grows more reliant on the generation of intellectual property and in services related thereto;
- Whereas the Congress is greatly concerned about the failure of some of the trading partners of the United States to meet their international obligations with respect to intellectual property protection;
- Whereas in the Russian Federation, perpetrators of piracy, including one of the largest commercial Internet pirates in the world, are permitted to operate without meaningful hindrance from the Russian Government, and a number of factories located on government property produce pirated products;
- Whereas the Russian Federation is now considering the adoption of a civil code that would annul the country's existing intellectual property law, and incorporate principles that do not conform to its international obligations;
- Whereas the Senate and the House of Representatives have both overwhelmingly passed legislation expressing the sense of the Congress that the Russian Federation must significantly improve the protection of intellectual property as part of its effort to accede to the World Trade

- Organization and to maintain eligibility in the generalized system of preferences (GSP) program;
- Whereas markets in the People's Republic of China are replete with pirated versions of American movies, sound recordings, business software, and video games, with over \$2,000,000,000 in losses each year to the United States economy;
- Whereas the People's Republic of China has made a number of commitments to the United States which it has yet to meet, including pledges to significantly reduce piracy rates, increase criminal prosecutions of intellectual property rights infringements, reduce exports of infringing goods, improve national police coordination, and join global Internet treaties;
- Whereas the People's Republic of China and the Russian Federation export thousands of pirated versions of products of the United States to other countries;
- Whereas Mexico has a strong market for pirated goods, with thousands of street vendors offering pirated products throughout the country;
- Whereas Canada has become a source of camcorder piracy, has failed to bring its copyright law into conformity with international standards, and has failed to adequately prevent pirated products from other parts of the world from entering the country;
- Whereas India can further improve copyright protections, particularly with regard to enforcement, deterrent sentencing, and coordination of national efforts;
- Whereas Malaysia continues to be a leading source of pirated entertainment software and other copyrighted materials produced for export; and

Whereas steps must be taken to ensure that the rights of creators and distributors are protected abroad and that creative industries in the United States continue to flourish: Now, therefore, be it

Resolved by the House of Representatives (the Senate

- 2 concurring), That it is the sense of the Congress that— 3 (1) the United States should not complete 4 agreements relating to accession of the Russian Fed-5 eration to the World Trade Organization until the Russian Federation takes concrete steps to address 6 7 widespread intellectual property violations, including 8 the closure and seizure of factories and machinery 9 used for piracy, imposition of meaningful penal sanc-10 tions, investigation and prosecution of organized 11 criminal piracy syndicates, and rejection of proposals 12 that would undermine its existing intellectual prop-13 erty rights regime and retreat further from global 14 standards;
  - (2) the People's Republic of China should fundamentally change its intellectual property rights enforcement model by significantly increasing the application of criminal sanctions against major copyright pirates and imposing effective deterrent penalties;
  - (3) Mexico, Canada, India, and Malaysia should work in cooperation with the United States Govern-

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- ment and industries in the United States to address growing piracy problems within their borders;
  - (4) the failure of these countries to act and protect against the theft of United States intellectual property will have political and economic consequences with regard to relations with the United States; and
  - (5) the President should use all effective remedies and solutions to protect the intellectual property rights of United States persons and entities, and must maintain policies that vigorously respond to the failure by other countries to abide by international standards of protection or to otherwise provide adequate and effective protection of intellectual property as provided under United States law.

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