

THE IP COMMISSION

THE COMMISSION ON THE THEFT OF
AMERICAN INTELLECTUAL PROPERTY

PRESS RELEASE

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IP Commission 2021 Review: Intellectual Property Protection Recommendations for the Administration

WASHINGTON, D.C. | The Commission on the Theft of American Intellectual Property (IP Commission) released a new memorandum highlighting the ongoing challenge of IP theft, providing policy recommendations for the Biden administration, and urging it to make IP theft a priority issue.

The IP Commission notes that the cost-benefit calculus of bad actors remains weighted toward unlawful acquisition of IP. Enforcement has not kept pace. The resulting damages to the U.S. economy include the loss of good and high-paying jobs in the many sectors of our innovation economy so dependent on IP. Cybertheft and complex global supply chains have amplified the challenges of protecting U.S. IP, endangering national security in the process.

The IP Commission has found China to be the world's principal IP infringer. "We endorsed the previous administration's elevation of IP protection to a priority issue in its bilateral negotiations with China, but we believe the broad-based tariff approach has been ineffective in changing Chinese policy and the inherent structural barriers to better protection," IP Commission chair Admiral Dennis Blair said. "A more effective strategy would be a targeted set of actions against the specific bad actors."

"Eight years since the IP Commission released its original assessment of the problem and recommendations for addressing it, too little progress has been made toward these goals. Changing the cost-benefit calculus for foreign entities that steal American IP by denying access to U.S. markets is as essential as ever," said NBR President Roy Kamphausen, the commission's executive director.

In this 2021 memo, the IP Commission highlights the most pressing IP issues and outlines priority actions to better safeguard U.S. interests. The commission enjoins the Biden administration to quickly implement the following recommendations:

- Provide statutory responsibility and authority to the secretary of commerce to serve as the principal official to manage all aspects of IP protection.
- Designate the U.S. trade representative to develop an IP protection strategy and policy and the national security advisor to serve as the principal IP strategy and policy coordinator of the interagency process.
- Set a national goal to delegitimize Chinese indigenous innovation efforts that are dependent on the theft of foreign IP.

- Deny the use of the U.S. banking system to foreign companies that repeatedly benefit from the misappropriation of U.S. IP.
- Ensure robust endorsement and enforcement of International Trade Commission decisions to block products containing stolen IP from being imported into the United States under Section 337.
- Instruct the Federal Trade Commission to obtain meaningful sanctions against foreign companies using stolen IP.
- Further strengthen the Foreign Investment Risk Review Modernization Act process to include the evaluation of IP protection as a condition for investment in the United States.
- Require the Securities and Exchange Commission to subject companies known to engage in IP theft to executive and auditor disclosure rules.
- Streamline and expedite the Section 337 process to provide more timely protection against infringing imports.
- Augment a streamlined Section 337 process with a quick-response capability to block imported goods with stolen or pirated materials or made with a business process using illegally procured IP.
- Create a multinational registry to share information on bad actors.
- Deny bad actors access to the U.S. market if they have a record of stealing IP.

To view the full IP Commission 2021 Review, [click here](#).

About the IP Commission

The Commission on the Theft of American Intellectual Property is an independent and bipartisan initiative of leaders from the private sector, public service in national security and foreign affairs, academia, and politics.

About the Commissioners

Chair:

- Admiral Dennis C. Blair, Knott Professor of the Practice at the University of North Carolina, former commander of the U.S. Pacific Command, and former U.S. director of national intelligence

Co-chair Emeritus:

- Jon M. Huntsman, Jr., former ambassador of the United States to Russia, China, and Singapore, former governor of the State of Utah, and former deputy U.S. trade representative

Other Commissioners:

- Charles W. Boustany, Jr., counselor to the National Bureau of Asian Research, former six-term U.S. representative from Louisiana
- William J. Lynn III, CEO of Leonardo DRS
- Deborah Wince-Smith, president and CEO of the Council on Competitiveness
- Michael K. Young, president emeritus of Texas A&M University, professor at the Bush School of Government and Public Administration at Texas A&M University

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