

# INTELLECTUAL PROPERTY GUIDELINES FOR THE TRUMP ADMINISTRATION & 115<sup>TH</sup> CONGRESS

## *An Open Letter*



AMERICAN COMMITMENT



## **Congratulations to the Trump Administration and Members of the 115th Congress!**

It is an exciting time for America, particularly in the knowledge-based economy. American entrepreneurship, ingenuity and creativity lead the world, and we believe that intellectual property (IP) rights are a key ingredient in job creation.

The undersigned organizations represent millions of Americans through both state and national advocacy or engage in rigorous research and educational work on intellectual property rights. We would like to share with you the following information and guidelines that our respective organizations look to when we consider our strong support for intellectual property rights.

### **Intellectual Property Rights Are Grounded in the Constitution**

The Founding Fathers recognized the importance of IP in Article 1, Section 8 of the Constitution: "To promote the Progress of Science and useful Arts, by securing for limited times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries."

This clause, articulated by the founders, is rooted in the notion that the best way to encourage creation and dissemination of new inventions and creative works to the benefit of both the public good and individual liberty is to recognize one's right to his or her intellectual property.

### **Intellectual Property Rights Are a Fundamental Property Right Deserving the Same Respect as Physical Property**

James Madison elaborated on this provision of the Constitution in Federalist Paper #43: With regard to intellectual property, as with all property rights protected in the common law, "[t]he public good fully coincides ... with the claims of individuals."

IP rights are not regulations—they are property rights that, when combined with the freedom to contract, facilitate markets. Government limitations and restrictions on property rights and licensing cause friction in the function of markets. No one would say that the right to keep people out of your home is a regulation: it is a right of ownership. It is the limitations on the use of one's property that are regulations.

### **Intellectual Property Rights Promote Free Speech and Expression**

Strong IP rights go hand-in-hand with free speech as creators vigorously defend their ability to create works of their choosing, free from censorship.

By affording innovators and creators the ability to support themselves, IP rights promote free expression unencumbered by government.

### **Intellectual Property Rights are Vital to Job Growth & Economic Competitiveness**

IP rights create jobs and fuel economic growth, turning intangible assets into exclusive property that can be traded in the marketplace.

The most recent report on IP-related jobs in the U.S., by the Department of Commerce and the Patent and Trademark Office, found that in 2014, direct employment in the most IP intensive industries accounted for 27.9 million jobs. Indirect activities associated with those industries provided an additional 17.1 million jobs, for a total of 45 million jobs, or 30 percent of all jobs in the economy.

The report also found that IP-intensive industries added \$6.6 trillion to the value of GDP in 2014, equal to 38.2 percent of total GDP. In a knowledge-based global economy, America's ability to remain a world leader in creativity and innovation depends on strong protection of IP.

### **Intellectual Property Rights Must Be Protected Internationally Through Effective IP Provisions in Trade Agreements**

Far too many foreign governments look the other way when it comes to the theft of IP. State-sanctioned IP theft from other countries costs the U.S. economy more than \$320 billion annually.<sup>1</sup> The lure of access to the U.S. market should be used as an incentive to convince trading partners that they should increase their protection of IP rights. Therefore, strong IP protections are integral to all trade agreement negotiations.

### **Intellectual Property Rights Are Integral to Consumer Protection and National Security**

IP rights protect consumers by enabling them to make educated choices about the safety, reliability, and effectiveness of their purchases. In 2014, consumer electronics and parts represented 24 percent of total counterfeit goods seized, presenting a dangerous risk to American consumers if those products malfunction.<sup>2</sup>

Illegal intangible goods are also dangerous. One-third of websites offering stolen movies and television shows were found to contain malware, putting consumers at risk of identity theft, credit card fraud, and more.<sup>3</sup>

The protection of IP rights is also vital to national security to prevent counterfeit parts, which compromise the reliability of weapons systems and the safety of military personnel, from entering the defense supply chain. A May 21, 2012 Senate Armed Services Committee report revealed 1,800 cases of counterfeiting, involving more than 1 million parts.<sup>4</sup>

### **Intellectual Property Rights Must Be Respected and Protected on the Internet**

The internet is an incredible platform for innovation, creativity and commerce enabling widespread distribution of ideas and information. However, IP theft online is a persistent and growing problem. For example, between 2001 and 2015, U.S. recorded music revenues fell from \$14 billion to \$7 billion—losses largely attributed to online theft.

Protecting IP and internet freedom are both critically important and complementary—they are not mutually exclusive. A truly free internet, like any truly free community, is one where people can engage in legitimate activities safely, and where bad actors are held accountable.

### **Voluntary Initiatives to Address Intellectual Property Theft Are Positive**

Good faith actors in the internet ecosystem should engage in private sector, voluntary initiatives to address illegal conduct. These voluntary efforts can empower consumers to make educated decisions about their online activities and encourage creativity, innovation, investment and jobs.

We encourage you to consider these guidelines as you review and discuss existing laws and regulations governing IP. The Founding Fathers understood that by protecting the proprietary rights of artists, authors, entrepreneurs, innovators, and inventors, they were promoting the greater public welfare. The continued protection of these fundamental rights is essential to American innovation and competitiveness.

<sup>1</sup> [http://www.ipcommission.org/report/IP\\_Commission\\_Report\\_052213.pdf](http://www.ipcommission.org/report/IP_Commission_Report_052213.pdf)

<sup>2</sup> <https://www.cbp.gov/sites/default/files/documents/2014%20IPR%20Stats.pdf>

<sup>3</sup> <https://media.gractions.com/314A5A5A9ABBBBC5E3BD824CF47C46EF4B9D3A76/0f03d298-aedf-49a5-84dc-9bf6a27d91ff.pdf>

<sup>4</sup> <http://www.armed-services.senate.gov/press-releases/senate-armed-services-committee-releases-report-on-counterfeit-electronic-parts>

*Sincerely,*

**Jim Martin**

President  
60 Plus Association

**Lisa Nelson**

CEO  
American Legislative  
Exchange Council

**John Russell**

Director  
American City County Exchange

**Phil Kerpen**

President  
American Commitment

**Dan Schneider**

Executive Director  
American Conservative Union

**Matt Schlapp**

Chairman  
American Conservative Union

**Steve Pociask**

President  
American Consumer Institute

**Thomas Sydnor II**

Visiting Fellow  
American Enterprise Institute

**Ned Ryun**

Chairman  
American Majority

**Stephen DeMaura**

President  
American Potential

**Douglas "Dee" Stewart**

President  
Americans for Balanced Budget

**Grover G. Norquist**

President  
Americans for Tax Reform

**Jonathan Taplin**

Founding Director Emeritus  
Annenberg Innovation Lab, University of  
Southern California

**Adam Mossoff**

Professor of Law  
Antonin Scalia Law School  
George Mason University

**Nicol Turner-Lee**

Fellow, Center for Technology  
Innovation, Governance Studies  
The Brookings Institute  
*[Affiliation is provided for identification  
purposes only. The Brookings Institute  
does not take institutional positions]*

**Jeffrey Mazzella**

President  
Center for Individual Freedom

**Ginevra Joyce-Myers**

Executive Director  
Center for Innovation and Free Enterprise

**Matthew Barblan**

Executive Director  
Center for the Protection of  
Intellectual Property

**Chuck Muth**

President  
Citizens Outreach

**Col. Francis De Luca**

President  
Civitas Institute

**Thomas Schatz**

President  
Council for Citizens Against  
Government Waste

**Katie McAuliffe**

Executive Director  
Digital Liberty

**Hance Haney**

Director and Senior Fellow,  
Technology and Democracy Project,  
Discovery Institute

**Charles Sauer**

President  
Entrepreneurs for Growth

**Eric Feinberg**

Executive Director  
Fans Against Kounterfeit Enterprises

**William Buckley Jr**

Founder & Executive Director  
FarePlay

**George Landrith**

President  
Frontiers of Freedom

**Grace Marie Turner**

President  
Galen Institute

**Carly Fiorina**

Former CEO  
Hewlett Packard

**Mario Lopez**

President  
Hispanic Leadership Fund

**Rosa Mendoza**

Executive Director  
Hispanic Technology and  
Telecommunications Partnership

**Harold Furchtgott-Roth**

Senior Fellow  
Hudson Institute

**Sabrina Schaeffer**

Executive Director  
Independent Women's Forum

**Robert D. Atkinson**

Founder & President  
Information Technology &  
Innovation Foundation

**Andrew Langer**

President  
Institute for Liberty

**Tom Giovanetti**

President  
Institute for Policy Innovation

**Geoffrey Manne**

Executive Director  
International Center for Law  
& Economics

**James Edwards**

Co-Director  
Inventor's Project

**Sal J. Nuzzo**

Vice President of Policy  
The James Madison Institute

**Ashley Varner**

Senior Director  
Jeffersonian Project

**Seton Motley**

President  
Less Government

**Colin Hanna**

President  
Let Freedom Ring

**Bartlett D. Cleland**

Managing Principal  
Madery Bridge Associates, LLC

**Mary Adams**

Leader  
Maine Center-Right Coalition

**Matthew Gagnon**

Chief Executive Officer  
Maine Heritage Policy Center

**Stephen Parente, PhD**

Director Medical Industry Leadership  
Institute (MILI) University of Minnesota

**Brian McClung**

Chairman  
Minnesota Center Right Coalition

**Kim Keenan**

President & CEO  
Minority Media, Telecommunications  
& Internet Council

**Jim Amos**

President & CEO  
National Center for Policy Analysis

**Justin Vélez-Hagan**

Executive Director  
National Puerto Rican  
Chamber of Commerce

**Todd McCracken**

President and CEO  
National Small Business Association

**Scott Cleland**

Chairman  
NetCompetition

**Sally C. Pipes**

President and CEO  
Pacific Research Institute

**William Booher**

Interim Executive Director  
Pelican Institute for Public Policy

**Charlie Gerow**

Chairman  
Pennsylvania Center Right Coalition

**Lorenzo Montanari**

Executive Director  
Property Rights Alliance

**Gerald (Gerry) D'Imperio**

Senior Executive Director  
Protect Our Futures

**Karen Kerrigan**

President & CEO  
Small Business & Entrepreneurship  
Council

**Mark Schultz**

Co-Founder & Senior Scholar, Center for  
the Protection of Intellectual Property  
Antonin Scalia Law School, George Mason  
University Professor of Law, Southern  
Illinois University School of Law

**David Williams**

President  
Taxpayers Protection Alliance

**Sara Croom**

Executive Director  
Trade Alliance to Promote Prosperity

**Ron Busby**

President and CEO  
U.S. Black Chambers, Inc.

**Javier Palomarez**

President & CEO  
United States Hispanic  
Chamber of Commerce

**Gregory Dolin**

Associate Professor of Law & Co-Director,  
Center for Medicine and Law University of  
Baltimore School of Law

**Christopher Holman**

Professor of Law  
University of Missouri-Kansas City

**Kristen Osenga**

Professor of Law  
University of Richmond School of Law

**Sean O'Connor**

Boeing International Professor of Law  
Director, Center for Advanced Research  
and Studies on Innovation Policy, University  
of Washington School of Law

**Paul Morinville**

Chairman  
US Inventor

**Jane Louise Campbell**

President  
Women Impacting Public Policy, Inc.

---

*Thank You*