

Statement of
The Honorable Patrick Leahy

United States Senator
United States Senate
May 9, 2012

I am pleased to welcome the Intellectual Property Enforcement Coordinator, Victoria Espinel, back to the Committee today to discuss the work that is being done to enforce our Nation's intellectual property laws. As we move further into the 21st century, intellectual property is one of America's most important assets. A report released by the Department of Commerce shows that IP-intensive industries directly accounted for over 27 million jobs in 2010—nearly one in five jobs across the country. Protecting American industry and innovation is not a Republican or Democratic issue, but a national priority that benefits all of us.

This is the third oversight hearing this Committee has held to discuss intellectual property enforcement since the establishment of the Intellectual Property Enforcement Coordinator. One of the primary roles of this position is to coordinate the work being done across Government agencies to combat intellectual property theft. I am pleased to have Ms. Espinel here today to talk about the efforts being made not only by her office, but by the numerous departments and agencies with which she works on a daily basis, including the Department of Justice, the FBI, the Department of Homeland Security, and the U.S. Trade Representative.

Last year, the I.P. Enforcement Coordinator, in collaboration with those agencies and others, provided a set of legislative recommendations to Congress designed to strengthen our Nation's intellectual property laws. Congress has already taken action on several of those proposals. Last December, Senator Whitehouse and other members of this Committee worked to pass important legislation that will protect our military supply chain by increasing the penalties for those who sell counterfeit goods for use by the military or in connection with national security.

Congress has also passed legislation, originally part of the PROTECT IP Act, that will make it easier for Customs and Border Protection to determine whether products stopped at the border are counterfeits. This has been a particularly serious concern as the counterfeiting of microprocessors has become increasingly sophisticated. I am pleased that Congress has acted and I will be interested to hear more about the Administration's enforcement.

In March, the Senate passed the Counterfeit Drug Penalty Enhancement Act, a bipartisan bill that I introduced with Senator Grassley to strengthen the penalties for trafficking in counterfeit drugs. I hope that the House will soon vote on that legislation so that it, too, can become law.

These practical measures remind us that effective intellectual property enforcement benefits not only American workers and American companies, but also American consumers. Again, recently we have seen troubling reports of people getting sick because of counterfeit prescription drugs. Law enforcement has seized shipments of counterfeit smoke detectors and electronics. These

counterfeit products threaten the safety of Americans and undermine confidence in the marketplace.

This Committee has worked hard to address these challenges and other problems faced by American workers and consumers because of intellectual property theft. As we go forward, I hope we will also continue to look for balanced solutions to address the continuing problems of intellectual property theft and abuse online.

I have always been committed to a free and open Internet that allows for the free exchange of information and ideas. But our commitment to an open Internet should not give a free pass to the rogue foreign websites that serve no purpose but to steal the hard work of American writers, musicians, and creators. We should all work together to help solve these problems in a balanced and effective way that stays true to our ideals.

I appreciate the work that Ms. Espinel and our Federal agencies are doing to try to meet the threats to American intellectual property and innovation.

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