

THE PRESIDENT'S EXPORT COUNCIL

WASHINGTON, D.C. 20230

September 19, 2013

President of the United States of America
The White House
Washington, DC 20500

Dear Mr. President,

As the TPP negotiations enter into their final phase, we are writing to emphasize the importance of comprehensive, high-standard intellectual property protections in the Trans-Pacific Partnership (TPP) agreement. We believe that an important measure of success for TPP is the inclusion of protections for intellectual property rights, including patents, trademarks, copyright and related rights, at least as strong as those in the most recently concluded trade agreements, particularly the United States – Korea Trade Agreement (KORUS FTA), as well as robust protections for trade secrets.

As you know, intellectual property (IP) drives the creativity and innovation that are the engines of U.S. competitiveness. Last year, the Department of Commerce issued a report noting that, “The entire U.S. economy relies on some form of IP, because virtually every industry either produces or uses it.” The report found that IP-intensive industries were responsible for over one-third of all U.S. gross domestic product and the direct employment in good-paying jobs of more than 27 million Americans.

Our trade agreements have long recognized the importance of intellectual property to America’s global competitiveness. IP-intensive industries are a key source of America’s comparative advantage. The Department of Commerce report noted that IP-intensive industries are responsible for over \$775 billion in merchandise exports and more than \$90 billion in services exports. While these numbers are impressive, U.S. innovators and creators are denied opportunities in many countries due to inadequate laws and rampant piracy, infringement, and other theft. That is why the U.S. has actively used our trade agreements as a key opportunity to protect our intellectual property in foreign markets, a commitment you re-affirmed in 2010.

On May 8, 2012, the heads of more than thirty trade associations, with members consisting of businesses large and small across a wide range of industries and accounting for hundreds of billions of dollars worth of GDP and millions of U.S. jobs, urged you to redouble efforts to ensure that the TPP includes comprehensive, commercially meaningful provisions for the protection and enforcement of IP rights across all U.S. industries. Unfortunately, we understand that some negotiating partners continue to resist a robust IP chapter, and some even seek to weaken critical IP provisions the U.S. has successfully obtained in previous trade agreements, including provisions that already bind several TPP countries.

The TPP negotiations are now approaching their final phase, when the toughest decisions will be made. It is imperative, therefore, that the U.S. reaffirm and make clear to our negotiating partners the commitment to ensuring strong intellectual property provisions in the TPP that

builds upon those in the KORUS FTA. The gains made in previous agreements, which have proved to be mutually beneficial by promoting innovation that is available both here and in our trading partners' markets, cannot be lost.¹

Sincerely,

A handwritten signature in cursive script, appearing to read "Jim McNerney". The signature is written in dark ink and is positioned to the right of the word "Sincerely,".

Jim McNerney

¹ Please note this letter was prepared by the private sector appointed members of the PEC.