

Intellectual Property Rights (IPR) – Policy and Enforcement Operations

TALKING POINTS:

- In Fiscal Year (FY) 2015, CBP and U.S. Immigration and Customs Enforcement's (ICE) Homeland Security Investigations (HSI) made 28,865 seizures of counterfeit and piratical goods worth an estimated Manufacturer's Suggested Retail Price (MSRP) of \$1.3 billion, which equates to nearly \$3.2 million daily.
- CBP tactical interagency collaboration with the HSI-led National Intellectual Property Rights Coordination Center (IPR Center) resulted in 538 arrests, with 339 indictments and 357 convictions in FY 2015.
- CBP and our partner agencies are working to address imports of hoverboards with substandard and counterfeit components that pose serious health and safety hazards. There have been hundreds of seizures of shipments containing counterfeit hoverboards. As a result, more than 100,000 potentially dangerous hoverboards have been kept out of U.S. commerce.
- In FY 2015, five Mobile Intellectual Property Enforcement Teams, groups of IPR experts deployed to assist with training and enforcement, conducted operations resulting in over 1,000 IPR seizures of goods worth, had they been genuine, a combined estimated MSRP of over \$20 million.
- In April 2013, CBP and the General Administration of Customs China (GACC) concluded a successful joint customs IPR enforcement operation, resulting in the removal of thousands of units of counterfeit consumer electronics from commerce. In December 16, 2015, CBP hosted officials from the GACC and Chinese provincial customs authorities in Washington D.C. to develop an ambitious action plan, which will include establishing regular information exchange of seizure data, conducting a joint IPR enforcement operation in 2016, and additional working group meetings.
- In early FY 2015, CBP, in partnership with the Express Association of America (EAA) and its members, established a new process which allows for the voluntary abandonment of detained goods. The pilot program for this new process, which was supported through a formal recommendation by CBP's federal advisory committee, the Advisory Committee on Commercial Operations of CBP (COAC), resulted in over 2,800 voluntary abandonments and an estimated \$2 million in interdiction cost savings to the government.
- In FY 2016, the Office of the U.S. Intellectual Property Enforcement Coordinator (IPEC), within the Administration's Office of Management and Budget, will release the 2017-2020 Joint Strategic Plan (JSP) on IPR. CBP is the lead or significant support agency for more than a dozen objectives.

BACKGROUND

- Each year, more than 11 million maritime containers arrive at our seaports. At land borders, another 10 million arrive by truck and 3 million enter by rail. Through air travel arrives an additional quarter billion more cargo, postal and express consignment packages. The agencies within the Department of Homeland Security (DHS) remain vigilant in targeting shipments posing a risk to the American people.

- Theft of intellectual property threatens America’s innovation-based economic vitality, business competitiveness, the livelihood of workers, consumer safety, and national security. Trade in counterfeit goods funds criminal enterprises.
- As America’s frontline border agency, U.S. Customs and Border Protection (CBP) plays a key role in safeguarding one of America’s most valuable assets. CBP works diligently to ensure that American intellectual property is protected and that imports comply with our nation’s laws. We recognize that we have an important obligation to prevent any abuse of our open marketplace, and we take our role in this process very seriously. To protect America’s industries, consumers, critical infrastructure and national security, CBP has made Intellectual Property Rights (IPR) enforcement a priority trade issue.
- According to the U.S. Chamber of Commerce, “IP-intensive industries employ nearly 18 million workers, account for more than 50% of all U.S. exports, and represent 40% of the country’s growth.” Thus, the theft of intellectual property poses a serious threat to America’s economic vitality. According to the International Anti-Counterfeiting Coalition, “Counterfeit merchandise is directly responsible for the loss of more than 750,000 American jobs”.