



The world business organization

An ICC initiative
BASCAP
Business Action to Stop
Counterfeiting and Piracy

Executive Summary

Business action to stop counterfeiting and piracy

An ICC initiative to improve the enforcement of intellectual property protection – curbing counterfeiting and piracy and bridging the gap between advocacy and implementation



BASCAP has been formed to:

- Increase public and political awareness and understanding of counterfeiting and piracy activities and the associated economic and social harm.
- Compel government action and the allocation of resources towards improved IPR enforcement.
- Create a culture change where intellectual property is respected and protected.

BASCAP seeks to accomplish these objectives by:

- Connecting ongoing business activities, business strategies and messages.
- Producing information and products that have value to corporations and trade associations across sectors.
- Providing a platform for leveraging ongoing and new business initiatives through use of the ICC network of national committee contacts with national governments; network of global media relationships; and, accreditation and relationships with intergovernmental organizations.

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1. Prioritise enforcement action and mobilise resources

More action is needed—now

Actions to date have simply not been sufficient to stop or even slow the rampant piracy and counterfeiting of intellectual property. The trend is, in fact, quite the opposite as theft continues to grow and economic losses reach colossal new highs each year.

Statements from the international panel of experts at the 35th ICC World Congress in Marrakech in June 2004 made clear that this illegal activity has grown well beyond individual company interests and now demands an aggressive, coordinated response that integrates all business sectors and cuts across national borders.

ICC will provide leverage to current efforts

Consequently, ICC has launched a global effort designed to mobilize enforcement resources commensurate with the magnitude of the problem, and to ensure that IP protection efforts are dedicated to effective enforcement activities at local, national and international levels.

To accomplish these objectives, ICC will draw strength from cooperation with companies and organizations already engaged in the fight against counterfeiting and piracy. By providing a common, impartial and cross-sectoral voice, ICC will leverage these individual efforts to make the *complete and compelling case* to governments and enforcement officials that have thus far been unmotivated, unwilling or simply unable able to act.

Governments must understand the scope of the problem and the need to prioritise solutions

For example, in some developing countries, governments may lack the capacity to create or manage an effective legal/enforcement regime to curb the rising levels of piracy and counterfeits. Moreover, they may also lack the motivation – surmising that scarce government resources are better used for other priorities. The ICC approach is to emphasize the scope and aggregated costs of the problem, pointing out the full economic, social and developmental costs of piracy and counterfeiting – be it through a loss of tax revenue, a loss of jobs or a loss of financial incentive to innovate.

2. Making the complete and compelling case

*Damages cut
across virtually
all industry
sectors...*

The complete and compelling case is that counterfeiting and piracy result in economic, social and developmental costs that are broader than profit losses to a single company or sector and are more damaging to economic growth than may be currently understood.

The problem, for example, is not limited to pirated DVDs. The problem extends to airplane parts, food, batteries, medicine and beyond – such that no industry sector is immune. Collectively, the wider economic, social and developmental costs create a massive drain on national economies, especially those struggling to develop.

*...take away
legitimate jobs
and tax
revenues...*

Piracy and counterfeiting are responsible for a widespread loss of lawful employment opportunities and a massive deterioration of tax revenues for governments.

They rob the creative community of reward for effort and innovation, undermine local culture by reducing the incentive to invest, and ultimately limit the diversity and availability of high-quality goods and services.

*...and generate
significant
social, health
and safety costs*

In addition, consumers are increasingly being harmed by unsafe counterfeit products which can present significant health and safety risks. And, all signals also point to growing linkages from piracy and counterfeiting to organized crime.

The complete and compelling case argues that, collectively, these societal costs warrant elevated priority action by governments and enforcement officials.

3. The ICC approach

ICC in action

ICC is ready to begin emphasising these priorities with local, national and international enforcement officials – calling them to action, petitioning for the re-allocation of resources, and pressing for results.

*It is critical to
build upon
existing efforts*

ICC will build upon – not duplicate – existing efforts and leverage them by raising the profile of anti-piracy and anti-counterfeiting efforts in the media, facilitating information exchange, and using its resources and network to reach and educate national governments. Its worldwide membership of small and large companies allows ICC to act and speak on behalf of business globally, thereby making the message from individual sectors and organisations more powerful.

*ICC brings a
wide range*

The undertaking is enormous, and ICC has the relevant experiences and

skills and resources to the challenge

accomplishments to succeed. By virtue of its long history of authoritative involvement in international business policy and its global reach, ICC is exceptionally positioned to improve the effective conduct of global business, the development of policy, and the implementation of effective legislation. From trade and investment and sustainable development to international arbitration and customs reform, ICC has worked collectively, across industry sectors and national borders to tackle critical economic and social challenges – marshalling resources, shaping legislation, and effecting sound international trade and investment rules.

ICC national committees provide a direct link to national governments

Located in 90 countries, ICC national committees form the network that makes ICC the world's largest, most representative business organization. Operating at the doorstep of local and national legislatures, ICC national committees provide the machinery to propel the initiative from the bottom up. When empowered with information and tools to communicate the scope and harm of the problem – and the possible solutions – local ICC operatives provide powerful on-the-ground resources for reaching and influencing national and local policymakers.

ICC has long been the reputable voice of global business

From the top down, ICC will employ its highest-level consultative status with key international organizations such as the World Intellectual Property Organisation (WIPO) and the World Trade Organisation (WTO), and with other key operatives including the World Customs Organisation (WCO) and international police agencies (Interpol). For example, ICC has already succeeded in elevating IP enforcement concerns onto the agenda of most recent meeting of G8 leaders. In short, ICC will advocate action with and among these organizations – to strengthen and energize their existing mandates and to inspire renewed efforts.

4. About the programme

Information clearinghouse

A central location to exchange information (e.g. data, good practices, innovative solutions, model legislation) and to connect ongoing efforts (e.g. which organizations are taking what actions where.).

Innovation and creativity

A lively brochure addressing frequently raised concerns about intellectual property protection will provide useful arguments and supporting information for the business community when making the case for intellectual property rights and demonstrating why IP is so important to, among other things, economic development and creativity.

It will lay the foundation for explaining to policy-makers and the public why they should respect and enforce intellectual property rights. It will be created in question/answer format featuring charts, facts, figures and supporting arguments that can also be used by BASCAP members as background information for speeches and interviews.

Powerful messages on the extent of counterfeiting and piracy, especially highlighting industry sectors with which policymakers and the public may be less familiar. Media, policy-makers and the public are often more

Compendium of stories

effectively influenced (and motivated to act) by accounts and stories that touch their lives and reveal the negative impacts of IP theft than they are by statistics. draw from various collections that exist, but are limited or outdated, and build up a current, international and cross-sectoral library of stories.

Counterfeiting and piracy indices

Based on ranking a country's performance on intellectual property protection/enforcement, the indices are a policy tool for identifying issues that deserve greater attention within national IP protection programs. The indices are also an effective way to concentrate attention, especially driven by the media, on the need for enforcement action and can be a mechanism for establishing context and for understanding what is possible in terms of policy progress.

Objective measures of policy performance are an important mechanism for budget rationalization and priority setting, and BASCAP expects the indices to be a useful national policymaker's guide, highlighting where each particular country might better determine where marginal investments of funding and political attention could best be deployed.

The indices are also a way of identifying those governments that are at the leading edge with regard to any particular issue. This information is useful in identifying "best practices" and may help to guide thinking on what it will take to make policy progress. Finally, the indices can be a tool for explaining why some countries are able to create strong IP protection regimes, while others remain stagnant or, worse, actually see an erosion of standards.

5. Call to action

The ICC initiative is a necessary engagement at a time when the creation and distribution of intellectual property has become a key driver of world economic growth. More urgently, spiralling economic losses extending from the growing theft of intellectual property compel us to act – now.

The ICC effort is designed to fill a critical void in the fight against piracy and counterfeiting – by using its own strengths and by providing leverage to other activities.

ICC invites you and your organization to engage in this call to action. Together, we have the opportunity to make the voice of business heard at a time when it is needed most.