

**Topic  
Brief 12**

**IP in politics:  
the issues facing  
policy makers**

## Brief 12



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# IP in politics: the issues facing policy makers

## Intellectual property – stability for success

Intellectual Property (IP) continues to drive economic success for the UK, creating jobs and investment as well as being one of the fastest growing sectors of the economy.

Whilst the IP framework in the UK is generally accepted as being strong there are areas of ongoing concern both at home and abroad.

The Digital Single Market (DSM)<sup>100</sup> and Single Market (SM)<sup>101</sup> are significant strands of the European Commission's policy agenda – there are proposals that could have a significant impact on IP creators, owners, distributors and all parts of the value chain.

## The case for a strong IP framework

- The UK's Creative Industries grew by 8.9 per cent in 2014<sup>102</sup> – almost double the growth in the UK economy as a whole. IP rights underpin the successes of the Creative Industries, allowing for UK creators and businesses to export ideas, gain investment and innovate.
- The UK's IP industries are an economic and cultural success story, and increasingly important in a highly competitive global marketplace.
- The number of jobs in the Creative Industries (including both creative and support jobs), increased by 5.5 per cent between 2013 and 2014 to 1.8 million jobs.
- Design had the largest increase in GVA between 2013 and 2014 (16.6 per cent) – this now totals £3.23bn. There are 177,000 UK design jobs in the creative economy.
- IP is also the fundamental basis for the one million employed in creating and building brands<sup>103</sup> and the £33 billion which companies invest annually in the UK economy and allows the UK's brand-building industries (including advertising, marketing and design agencies) to generate around £1 billion in GVA through exports alone.

100 <https://ec.europa.eu/digital-single-market/en>

101 [http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item\\_id=8529](http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item_id=8529)

102 <https://www.gov.uk/government/news/creative-industries-worth-almost-10-million-an-hour-to-economy>

103 <http://www.britishbrandsgroup.org.uk/pages/the-value-of-brands>

## The alternative view

For some, the current IP framework is too restrictive and limiting innovation and growth. There are calls from parts of the tech sector for loosening of legislation that is seen as the barrier to allowing small start up businesses to access the market. The current framework is seen as propping up out-dated businesses models, with an over-emphasis on protecting and enforcing IP rights.

## Comment

The UK continues to be a world leader in the creation of IP and policies that support this such as the availability of tax credits for film, television or video games production are to be encouraged. The UK Government continues to express strong support for IP creators and businesses and there is good engagement with teams in the Intellectual Property Office, Department for Business, Innovation and Skills and Department for Culture Media and Sport.

However there is clear and present danger from the European Commission proposals on the DSM and the SM. Changes to the copyright framework and the way that creative content is funded and sold threaten both consumer choice and cultural diversity. The UK Government has stated that any proposed changes should be based on the best available evidence to ensure we have a copyright framework that supports economic growth, protects our creators, rewards creativity and responds to consumer needs but this evidence is yet to be presented. In the absence of such data it would seem foolhardy to risk the jobs, investment and exports that IP generates in the UK by supporting all the Commission's proposals.

In the UK the IPO continues to fund the Police Intellectual Property Crime Unit<sup>104</sup> but there is no long term funding in place. There are also grave concerns about the ability of trading standards to deliver IP enforcement on the back of funding cuts and structural changes within local councils. The IP Crime Group<sup>105</sup> brings together public and private sector bodies and is a unique forum for dissemination and sharing of best practice and partnership working.

UK brands continue to export in large numbers to new and emerging markets, flying the flag for British design and manufacturing yet counterfeiting and trade mark infringement remains a serious hindrance. The UK needs to continue to work to ensure that creators and rights holders are properly supported through legislation at local, national and international levels to provide business with confidence in their ability to trade.

<sup>104</sup> <https://www.cityoflondon.police.uk/advice-and-support/fraud-and-economic-crime/pipcu/pipcu-news/Pages/pipcu-funding-confirmed-until-2017.aspx>

<sup>105</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/461792/ip-crime-report-2014-15.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/461792/ip-crime-report-2014-15.pdf)

## Suggested further reading

- Speech by Baroness Neville-Rolfe about the importance of the digital single market for consumers: <https://www.gov.uk/government/speeches/consumers-and-the-digital-single-market>
- Why Global Film/TV Industries Should Not Drop Their Guard On Europe's Digital Single Market Drive: <http://variety.com/2016/tv/global/mike-ryan-jean-prewitt-ifta-europes-digital-single-market-1201683825/>
- Completing the European single market: <http://www.aim.be/priorities/completing-the-european-single-market>
- Copyright Myths Exposed: <http://www.publishers.org.uk/policy-and-news/news-releases/2015/copyright-myths-exposed/>