



representing the
recording industry
worldwide

The Rt Hon Patricia Hewitt MP
Secretary of State for Trade and Industry
Cabinet Office
70 Whitehall
London
SW1A 2AS

27 November 2002

Dear Madam,

I am writing to you as the Chairman of IFPI, the International Federation representing the recording industry worldwide with a membership of more than 1500 record companies in currently 76 countries. The global music industry is worth 33.7 billion US dollars and the European music industry is worth 12.1 billion Euros and employs some 600.000 people. In the UK, the music industry is worth £ 4.6 billion and has created more than 126,000 full time jobs. BPI representing the recording industry in the UK has 315 member companies varying from large multinational companies to small independent record companies and is a member of IFPI.

I am writing to you to express our concerns about the recently published report of the Commission on Intellectual Property Rights - "Integrating intellectual property rights and development policy" (the "CIPR report"). The main message of this report is that for developing countries, IP enforcement creates additional costs that are not balanced by ensuing benefits. The report also includes misleading messages discouraging developing countries from implementing the 1996 WIPO Treaties and from timely adherence to their obligations under TRIPS as members of WTO.

This is particularly worrying in light of the fact that the report is increasingly portrayed as a UK Government position. It is our understanding that this is not the case and that the report is just being circulated for comments within the Government. I am therefore surprised to see that, already at this stage, the UK Department for International Development (DfID) is presenting the report as relevant for UK policy decisions, continues to be engaged in the translation and dissemination of the report and publicly states that it (the DfID) is 'developing and publicising the issues raised in the report on behalf of the Government'.

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The UK currently ranks, at global level, as the third biggest market for sound recordings. UK record companies are very successful at developing markets in other countries and at exporting UK sound recordings around the world. I believe that this success has been due to the strong commitment of the UK Government to effective copyright protection and enforcement, both within the UK and in third countries. Initiatives such as the CIPR report in particular, if backed and promoted by the government, will constitute a significant depart from the UK commitment to its creative industries, and will weaken our efforts (both of the governments and of industry) to have strong copyright protection internationally, including the effective implementation and enforcement of existing international agreements.

The CIPR report is also contrary to any proactive agenda in the area of international trade and suggests a number of measures for developing countries to avoid, limit, or postpone their obligations under the TRIPs agreement particularly in the area of effective enforcement. Again, it has always been a priority in UK international policy to monitor and encourage effective enforcement of intellectual property in countries across the world and to address shortcomings in cooperation with the private sector. It would be wrong to retreat on this commitment or to allow for any weakening of it at a time when the UK creative sector needs the support of its government to fight the flight to copyright havens by music pirates internationally.

I am taking this opportunity to reiterate the message already voiced by BPI: we hope that any government response to the CIPR report recognises that the report conflicts with current Government policies, in particular in the area of IP and trade. Thus, in the interest of the recording industry in the UK and internationally, I urge you to ensure that the conclusions of the CIPR report are neither backed nor portrayed as being backed by the UK Government.

Yours faithfully,



Jason Berman
Chairman and CEO

cc Andrew Yeates, Director General of BPI