



Rt Hon Jeremy Hunt MP
Secretary of State for Culture, Media and Sport
Department for Culture, Media and Sport
2-4 Cockspur Street
London
SW1Y 5DH

30th June 2011

Dear Secretary of State

I am writing to you in response to your open letter of 16th May in relation to the Communications Review for the Digital Age.

Formed in 1998, the Alliance Against IP Theft is a UK-based coalition of trade associations and enforcement organisations with an interest in ensuring intellectual property rights receive the protection they need and deserve. With a combined turnover of over £250 billion, our members include representatives of the audiovisual, music, games and business software, and sports industries, branded manufactured goods, publishers, retailers and designers.

We welcome your open letter and the focus it rightly places on looking at issues through 'the lens of economic growth'. We agree that the communications and creative industries offer significant opportunity to generate growth and jobs for the British economy. The creative sector is a vibrant, dynamic, constantly evolving sector that has delivered a huge variety of products and services to both business and consumers.

IP is the basis for the £16 billion which companies invest annually in the UK economy by building brands¹, and allows the UK's brand-building creative industries (including advertising, marketing and design agencies) to generate around £1 billion in Gross Value Added through exports alone². UK businesses invested £23 billion in design in 2008³.

¹ <http://www.britishbrandsgroup.org.uk/upload/File/WBS%20VoB%20128.pdf>

² Information provided by the British Brands Group

³ 'Driving Economic Growth', NESTA

http://www.nesta.org.uk/library/documents/Driving_Ecc_Growth_Web_v2.pdf

Members:

- Anti-Copying in Design
 - Anti-Counterfeiting Group
 - Authors' Licensing and Collecting Society
 - British Brands Group
 - BPI (British Recorded Music Industry) Limited
 - British Video Association
 - Business Software Alliance
 - Cinema Exhibitors Association
 - Copyright Licensing Agency
 - Design and Artists Copyright Society
 - Entertainment Retailers Association
 - Federation Against Copyright Theft
 - Film Distributors Association
 - Motion Picture Association
 - Premier League
 - PRS for Music
 - Publishers Association
 - Publishers Licensing Society
 - UK Interactive Entertainment
- Supporters:**
- British Jewellery, Giftware & Finishing Federation
 - Video Standards Council

[REDACTED]



According to a recent report by TERA Consulting, the creative industries alone account for 2.7 million jobs in the UK and contribute €175 billion to the UK's GDP⁴. Ensuring that IP rights are protected and enforced provides industry with the requisite certainty to invest in the research and development that in turn leads to growth and employment.

We recognise that within your open letter you state that the Government response to the Hargreaves Review will set out the overall policy for IP which will then form the basis of any reference to IP in the review. Our submission to the Hargreaves Review sets out the Alliance's position on a range of these issues, however we thought that you might find it useful for us to set out some thoughts in relation to Question 13.

We are committed to finding self-and co-regulatory solutions to IP protection. It is clear that finding industry-led solutions is preferable to more legislation. It is for this reason that we entered into discussions around the MoU in 2008 and why more recently members have participated in roundtable discussions facilitated by your department. We are also inputting into the Nominet issues groups to ensure that .uk sites are prevented from engaging in IP theft so consumers can have greater confidence in their online purchases. We are also discussing with advertisers how they can reduce the number of adverts appearing on websites that are engaged in, or are promoting, IP theft so that they are not legitimised or financially benefit from this advertising. A number of members have also had long term discussions with online auction sites designed to reduce the availability of counterfeits and pirated goods and with search engines to reduce the prominence of links to illicit sites.

All of this activity demonstrates that in the online environment there are a number of intermediaries that can assist in delivering an online environment that is safe and encourages participation. ISPs, advertisers, search engines, social media networks, e-commerce sites and financial networks all have a role to play in delivering a digital environment that consumers can have confidence in and which promotes legitimate commerce and discourages fraud, theft and other illegal or illicit activity.

Ultimately, self and co-regulation is the preferable option for delivering a safer environment that promotes legitimate commerce and the Government has a key role to play in bringing groups together to encourage dialogue to help deliver that environment. We would hope that this type of dialogue prevents the need for legislation, but experience also notes that ultimately a backstop of legislation can be required both at a national and EU level.

⁴ *Building a Digital Economy: The Importance of Saving Jobs in the EU's Creative Industries* TERA Consulting March 2010 p17

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We would therefore hope that as the communications review progresses, the Government encourages more discussions with the intermediaries mentioned as an alternative to legislation, but that it holds open the option of such legislation to help maintain momentum.

A safer digital environment will help encourage greater consumer participation, particularly from groups who are fearful of getting online. It will provide the opportunity for legitimate companies to thrive and increase employment and reduce the loss our industries face from IP theft.

Yours sincerely,

A handwritten signature in cursive script that reads "Susie Winter".

Susie Winter
Director General

[REDACTED]