



For Immediate Release
December 13, 2010

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BAUCUS, GRASSLEY DEMAND CHINA ACT TO PROTECT, ENFORCE U.S. INTELLECTUAL PROPERTY RIGHTS

*Finance Leaders Release New ITC Study Highlighting China's Ineffective Intellectual Property Protection,
Enforcement*

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) and Ranking Member Chuck Grassley (R-Iowa) today called on China to do more to stop violations of U.S. intellectual property rights upon releasing [a report they requested](#) from the U.S. International Trade Commission (ITC). The report outlines China's infringement of intellectual property rights (IPR) and discrimination against American industries. The Senators' comments follow [a letter they wrote, joined by 30 other Senators](#), to urge China to make progress in resolving those issues during upcoming December meetings of the U.S.-China Joint Commission on Commerce and Trade. Baucus and Grassley said today's report indicates an even greater need for China to act swiftly and decisively on intellectual property protection.

"It is time for China to get serious about protecting American innovation," said Baucus. **"China continually fails to protect and enforce American intellectual property rights and discriminates against American businesses. Small steps and empty promises won't cut it when American jobs are on the line. This week's U.S. – China trade talks are the perfect opportunity for China to make serious commitments to address these issues. It is time for action."**

"China has committed to protect U.S. intellectual property," Grassley said. **"But this report shows that China isn't living up to its commitments. It's a serious problem. China needs to work harder to enforce its intellectual property protection laws, and it needs to stop its policies that treat American companies unfairly. Despite China's serious problem with intellectual property infringement, the U.S. government hasn't done a comprehensive economic analysis of the impact on the U.S. economy until now. This two-part report will fill that gap."**

On April 19, 2010, Senators [Baucus and Grassley asked the U.S. International Trade Commission](#) to conduct a study examining the impact of China's IPR infringement on the U.S. economy and U.S. jobs and to provide two reports describing the results. The first report, which the Senators released today, outlines the structural and institutional impediments that undermine effective IPR enforcement in China. The report also describes China's policies that discriminate against American and other foreign companies in favor of homegrown Chinese or "indigenous" innovation. The second report, which is due in May 2011, will quantify the impact of China's IPR infringement and indigenous innovation policies on American jobs and workers.

Baucus has long worked to resolve major issues facing America's economic relationship with China. In October, [he traveled to China to meet with Chinese Vice President Xi Jinping](#) and other top economic and trade officials to discuss the critical need for China to allow its currency to appreciate, protect and enforce U.S. IPR, eliminate its policies favoring home-grown, or "indigenous" innovation that discriminate against American companies and remove its unjustified restrictions on beef and other U.S. agricultural products. Baucus and Grassley will continue pressing China to act on these critical economic issues so that U.S. companies can compete in the global market, grow and create good-paying American jobs.

The Senate Finance Committee has exclusive jurisdiction over international trade. The full ITC report is available [here](#).

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