

Issue 42: Feb/Mar 2017

Tim Moss appointed as new IPO Chief **Executive**

Tim Moss has been appointed as the new **Chief Executive of the UK Intellectual Property** Office. Prior to this appointment, Tim has been



Before joining Companies House he spent 12 years in senior operational roles in manufacturing industry.

Tim is expected to take up the new post at the beginning of May.



The UK Intellectual Property Office (IPO) has helped broker a landmark agreement which will see search engines and the creative industries work together to stop consumers being led to copyright infringing websites. Representatives from the creative industries, leading UK search engines, and the IPO developed a Voluntary Code of Practice dedicated to the removal of links to infringing content from the first page of search results.

Minister of State for Universities. Science, Research and Innovation, Jo Johnson MP will oversee the implementation of this Code of Practice, and the IPO will work with all parties to evaluate progress. Jo Johnson MP said: "Search engines play a vital role in helping

consumers discover content online. Their relationship with our world leading creative industries needs to be collaborative. Consumers are increasingly heading online for music, films, e-books, and a wide variety of other content. It is essential that they are presented with links to legitimate websites and services, not provided with links to pirate sites.



Tim Moss appointed as new **IPO Chief Executive**

Search Engines and creative industries sign landmark anti-piracy agreement

U.S. Chamber Releases Index on World IP Policies: **New Research Reveals UK** top for enforcement

Day of action nets set top suspects

Illicit IPTV Streaming **Devices – Call for Views**

Who is this Call for Views aimed at?

IP (Unjustified Threats) Bill - Update

New Industrial Strategy launched

Sign up to IP Connect

I am very pleased that the search engines and representatives of the creative industries have agreed this Code. We look forward to this valuable collaboration continuing, for the benefit of the UK's digital and creative sectors.

The Code agreed on 9 February will come into force immediately, and sets targets for reducing the visibility of

infringing content in search results by 1 June 2017.

Enforcement

U.S. Chamber Releases Index on World IP Policies: New Research Reveals UK top for enforcement



Source: GIPC

The U.S. Chamber of Commerce has published its 5th annual International IP Index, "The Roots of Innovation," rating 45 world economies on patents, trademarks, copyright, trade secrets, enforcement, and international treaties. Good news for the UK is that once again we are top for enforcement and second overall, behind the US, with Germany, Japan and Sweden rounding off the top 5 respectively.

David Hirschmann, president and CEO of GIPC said: "Just as a tree cannot grow without roots, innovation cannot thrive without intellectual property. In the 2017 International IP Index, we provide both an IP report card for the world and a guidebook for policymakers seeking to bolster economic growth and innovation.

"This year's Index shows that a clear pack of leaders has emerged: the United States, United Kingdom, Japan, and the European Union. But all that invest in the systemic recognition and protection of IP stand to reap the benefits: foreign investments, healthier home-grown industries that export innovative products, and a reputation as a place where the world can do business.

From the most developed countries to the least, countries that demonstrate a commitment to IP will reap a reward."

Dr Ros Lynch, IP Enforcement
Director at the UK Intellectual Property
Office, said: "It is no accident that
the UK's IP enforcement regime has
once again been recognised as the
world's best. This ranking reflects
the dedication and hard work of
skilled enforcement partners across
the country.

"There is of course work still to be done and we face new challenges – especially in our fight against online piracy. A strong partnership between government, businesses, and law enforcement will help us continue to build on our success."

This year's Index shows that a clear pack of leaders has emerged: the United States, United Kingdom, Japan, and the European Union.

Mark Elliot, executive vice president of GIPC, said: "Governments from East to West all want the same thing: economic growth. Now more than ever, world economies must choose whether they will grow forward into the future or shrink back from endless innovative potential."

"Each year, this report attempts to highlight best practices among the world's intellectual property environments. In 2017, many of the same challenges remain. Emerging markets, such as India, have made incremental gains and embraced positive rhetoric with their IPR policies, but they have not yet followed up with the legislative reforms innovators need. Some developed countries, including Canada and Australia, continue to implement policies that undermine their proud traditions of IP-led innovation. And even world leaders such as the U.S. have room to grow and improve."

The economies benchmarked in the 2017 Index account for 90 percent of global gross domestic product (GDP).

The Index ranks the IP systems in Algeria, Argentina, Australia, Brazil, Brunei, Canada, Chile, China, Colombia, Ecuador, Egypt, France, Germany, Hungary, India, Indonesia, Israel, Italy, Japan, Kenya, Malaysia, Mexico, New Zealand, Nigeria, Pakistan, Peru, Philippines, Poland, Russia, Saudi Arabia, Singapore, South Africa, South Korea, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, Ukraine, United Arab Emirates, United Kingdom, United States, Venezuela, and Vietnam.

The full Index can be viewed at https://www.uschamber.com/IPIndex

Enforcement

Operation Creative sees 64 per cent drop in UK advertising on illegal sites in 12 months

A ground-breaking police operation that disrupts illegal websites providing access to films, TV, books, music and games has seen major success.

The City of London Police's Intellectual Property Crime Unit (PIPCU) launched Operation Creative and the Infringing Website List (IWL) in 2013 to tackle the funding of illegal streaming websites that adversely impact on the UK's creative industries.

Research has now shown that in the past twelve months there has been a 64% decrease in advertising from the UK's top ad spending companies on copyright infringing websites.

The research was conducted by whiteBULLET, a global data company with brand safety solutions providing transparency on digital advertising on IP infringing websites.

This means more revenue to the UK's creative industries in which hundreds of thousands of people rely on for employment.

Reducing advertising on illegal sites is one of the key aims of Operation Creative as it is one of the main generators of criminal profits. A report by the Digital Citizens Alliance estimated that in 2013 piracy websites generated \$227 million from advertising.

The appearance of adverts from established brands on illegal websites lends sites a look of legitimacy. Therefore a decrease in advertising from reputable brands will help consumers realise these sites are neither official nor legal.

PIPCU is a specialist national police unit dedicated to protecting UK industries that produce legitimate, high quality, physical goods and online digital content from intellectual property crime, based within the Economic Crime Directorate of the City of London Police, the National Policing Lead for Fraud. The operationally independent unit launched in September 2013 is funded by the Intellectual Property Office (IPO) until 2017.

Through the introduction of the IWL, the City of London Police unit has been able to disrupt advertising revenues on illegal websites across the globe with the co-operation of the advertising industry including brands and organisations involved in the sale and trading of digital advertising.

The IWL is an online portal providing the digital advertising sector with an up-to-date list of copyright infringing sites, identified by the creative industries, evidenced and verified by PIPCU, so that advertisers, agencies and other intermediaries can cease advert placement on these illegal websites.

DCI Pete Ratcliffe, head of the Police Intellectual Property Crime Unit said:

"This shows the great impact our work has on protecting the creative industries in the UK and across the world.

"Operation Creative is about taking away the revenue that these criminals use to undermine one of the most important industries to the UK economy.

"In the coming year we will be stepping up our work in this area and these results not only show the great work of my team but also the great cooperation shown by brands and advertising agencies we work with.

Jo Johnson MP, Minister of State for Universities, Science, Research and Innovation said:

"Illegal streaming websites have a negative impact on the UK's creative industries. The advertising that appears on them is a misleading attempt to legitimise these criminal operations. that means both consumers and creators ultimately lose out.

"The naming and shaming of infringing websites sends a clear message: criminal activity will not be tolerated. PIPCU and their enforcement partners will continue to track down, delegitimise and disrupt advertising revenues on these infringing sites.

"I commend PIPCU and their partners for these continued efforts to disrupt funding of illegal streaming sites by dramatically reducing rates of advertising that appear on them."

Kieron Sharp, Director General of FACT, "Following the money and disrupting advertising on infringing websites is vital to tackling online piracy.

"These illegal websites are making substantial amounts of money, depriving legitimate businesses from their well-deserved revenue and in turn stifling creativity and starving the UK economy.

"These latest figures prove how successful Operation Creative is and FACT is proud to be a partner of such a great multi-agency initiative, which was the first of its kind in the world."

Enforcement

Day of action nets set top suspects

Five people were arrested on 8
February in a crackdown on the
sale and distribution of illegal TV
set-top devices in the North West
of England and Wales.

The multi-agency day of action saw FACT, Greater Manchester Police, City of London Police's Intellectual Property Crime Unit (PIPCU) and the Intellectual Property Office (IPO) join forces and execute six warrants in Tameside, Bolton, Bootle, Manchester, Cheadle and Rhyl, Wales.

Fully-loaded illegal TV set-top devices were seized at the homes of the five suspects. These devices are preloaded with unlicensed add-ons and apps which then allow users to illegally stream content to their TV such as premium pay-for TV channels, live sport and films.

Collectively it is believed the suspects have made in the region of £250,000 across social media, online forums, as well as their own dedicated websites. All were taken to local police stations for questioning and have since been released on bail pending further enquiries. The day of action was instigated by FACT on behalf the Premier League, Sky, BT Sport and Virgin Media.

Officers from Greater Manchester Police, Merseyside Police and City

of London Police also joined FACT investigators the day before (7 Feb) to issue three Cease and Desist Notices to other offenders on a lower scale. Two further investigations have also been passed on to HMRC for further action. North Wales Police also assisted officers on the operation.

Jo Johnson, Minister of State for Universities, Science, Research and Innovation, said: "Profiting from illegal streaming is completely unacceptable. The UK's creative industries are a national asset that must be protected. These efforts have shown that partnership works. I wish to congratulate FACT and the police for ending these criminal operations."

This crackdown follows the first prosecution of illegal set-top box sellers in England. This landmark case saw illegal set-top box supplier Terry O'Reilly sentenced to four years in prison in December 2016. A second supplier, Will O'Leary who worked with O'Reilly, pleaded guilty and received a two year suspended sentence. The prosecution was brought by the Premier League with support from FACT.

Kieron Sharp, Director General of FACT, said "This day of action should send out a clear warning to anyone

involved in the sale and distribution of illegal set-top boxes that law enforcement and industry take this matter very seriously. Set-top boxes loaded with apps and add-ons allowing access to copyright infringing material are very much illegal and anyone involved in selling these boxes should not be surprised to receive a knock on the door."

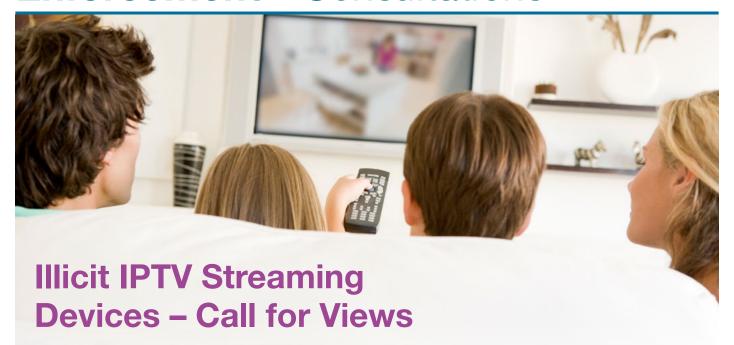
Detective Inspector Neal Colburn, of GMP's Asset Attack Team, said: "Operations such as these are a vital means of protecting jobs supported by the entertainment and creative industries which are a vital part of the UK economy. GMP is committed to this multi-agency approach, which is driven by intelligence sharing, and will continue to be part of this successful partnership to tackle copyright-related crime.

Premier League Director of Legal Services, Kevin Plumb, said: "These raids follow a recent case we brought that saw a supplier of IPTV devices which enable mass piracy of Premier League football sent to prison for four years. It was the first case of its type and the fact police are now targeting and arresting others selling similar devices is further evidence for consumers that they are illegal."

Profiting from illegal streaming is completely unacceptable. The UK's creative industries are a national asset that must be protected.



Enforcement – Consultations



IPTV boxes (also known as set-top boxes, Android TV boxes or Kodi boxes) are small plug and play media servers, originally designed to allow consumers to stream legitimate content (locally stored or legal online content) to their TV.

Although completely legal when used in this way, software is widely available (illicit Kodi extensions being the best known) which connect the boxes to illegal content through streaming websites, file lockers and BitTorrent trackers.

Configuring IPTV boxes in this way allows the consumer to easily access subscription TV, sports and films for only the one-off price of a box (usually £40-£50).

It is claimed that the ease of use of these boxes, the wide range of illicit content available and the fact they

are freely available from a number of well-known online retailers as well as physical stores, has led to a sharp rise in their use by consumers.

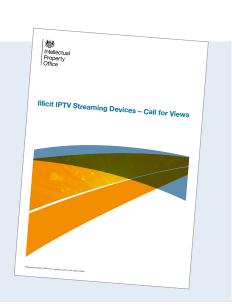
Broadcasters and content owners have voiced concerns that, although a range of existing legislation applies to both the sale and use of these devices (as well as the provision of illicit content streams themselves), the legal framework does not provide sufficient tools to tackle this growing threat.

The government is keen to understand where further action is needed to address this problem and is therefore seeking views from those with knowledge and experience in dealing with IPTV boxes.

Who is this Call for Views aimed at?

This <u>Call for Views</u> is aimed primarily at those with experience of investigating and prosecuting offences relating to illicit streaming devices, but we are keen to hear from anyone with relevant information to share. We would kindly request that submissions be supported by evidence wherever possible. As well as exploring whether there is any need for legislative change, we also intend to update guidance for investigators working in this area.

Please send your views to: enforcement@ipo.gov.uk by 7 April 2017.



In Parliament

IP (Unjustified Threats) Bill – Update

The Committee stage debate of the IP (Unjustified Threats) Bill took place in the House of Commons on Tuesday 24 January. A small number of amendments were discussed but were not accepted by the Committee. The Bill therefore proceeds to the next stage without amendment. The debate is available to view on Parliament TV.

The next stage of the Bill's passage will be Report, the date for which will be confirmed in due course. This Bill makes improvements to the existing threats provisions. It will help business negotiate fairly over patent, trade mark and design disputes, while protecting those businesses which can be most harmed by unjustified threats.

You can <u>follow progress of the Bill here</u> or <u>visit</u> <u>our webpage</u> to find out more.

New Industrial Strategy launched

The Department for Business published its Industrial Strategy at the end of January. It addresses long-term challenges to the UK economy with the aim of improving living standards and economic growth by increasing productivity and driving growth across the whole country.

The green paper sets out the vision for a modern industrial strategy and some early actions the Government has committed to take. It aims to start a genuinely open and collaborative conversation about the skills, research, infrastructure and the other things needed to drive long term growth in productivity.

The green paper is built around 10 pillars including 'investing in science, research and innovation' and 'cultivating world-leading sectors'. There are a number of IP-specific measures outlined in the paper but, as a horizontal theme, IP runs through many aspects of the entire strategy. The IPO intends to issue a call for views later this month, looking at what more the IP system can do to maximise incentives, stimulate innovation and support the commercialisation of IP.

We welcome your comments on the Industrial Strategy as part of a broad discussion on the approach and ideas, in order to make the industrial strategy effective in delivering an economy that works for everyone. It is not intended to be the last word, but to start a conversation.

Support for Business

Get our blogs direct to your inbox

If you are passionate about IP or simply looking for something interesting and fun to read, we're sure you'll enjoy our weekly blogs. Our talented authors include IPO staff, external writers and industry experts.

Visit our blog



IP Events

Click here for a list of forthcoming IP events which may be of interest to you or your clients/members



Follow us on Twitter



Subscribe to IP Connect

Sign up to IP Connect

Sign up

For all queries related to content please contact <u>James Thomson</u> Editor in Chief.