



*MOTION PICTURE ASSOCIATION OF AMERICA, INC.*

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Friday, May 10, 2013

*GREG FRAZIER*  
Executive Vice President

*Comments of the Motion Picture Association of America Concerning  
The Proposed Transatlantic Trade and Investment Partnership*

Dear Mr. Bell:

The men and women who work in the American filmed entertainment industry depend on exports. While the US remains its largest single market, over the last five years international box office revenue has climbed nearly one-third -- a trend projected to continue. The industry's growth is contingent upon offshore opportunities and thus on the success the Office of the United States Trade Representative (USTR) has negotiating trade agreements opening foreign markets and protecting the content of US creators and ensuring these creators can make full use of modern technology to distribute filmed entertainment to global audiences.

We<sup>1</sup> can support USTR's goal to conclude a high-standard Transatlantic Trade and Investment Partnership (TTIP) agreement with the European Union (EU). Already the largest and most commercially successful trading partnership in the world, we believe the TTIP could enhance that relationship, and we look forward to working with you and our counterparts in Europe to forge a mutually acceptable agreement.

We believe there is an inevitable horizontal relationship between TTIP and on-going negotiations. The position the US articulates in TTIP will naturally affect the dynamics of those talks. Accordingly, we believe it is critical the US' positions in TTIP not impair positions USTR is advancing in the Trans-Pacific [Partnership](#) (TPP) and the Trade in

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<sup>1</sup> The Motion Picture Association of America, Inc. (MPAA), including our affiliates, is the global advocate of American motion pictures, home video, and television. Our members are the six leading producers and distributors of motion pictures, home entertainment, and television programming in the world: Walt Disney Studios Motion Pictures; Paramount Pictures Corporation; Sony Pictures Entertainment Inc.; Twentieth Century Fox Film Corporation; Universal City Studios LLC; and Warner Bros. Entertainment Inc.

Services [Agreement](#) (TISA), thus we call your attention to our recommendations we have provided in the context of those two trade policy priorities.

Europe is a large, diverse, and mature market in which our members have generally been able to deal with policy challenges pragmatically. We recognize the importance of cultural diversity and the contribution the audio-visual sector makes to achieve that goal, and likewise that governments have taken policies consistent with that objective. We want, in particular, to make clear we are not calling into question existing EU or national financial support measures and mechanisms for the audio-visual sector.

In recognition of complexities negotiators will encounter in this regard and consistent with the High Level Working Group (HLWG), we support a negotiation in which both sides address sensitivities by adopting the template and modality the US has advanced in past bilateral and on-going plurilateral trade negotiations as opposed to up-front, blanket sectoral exclusions. We believe that through this approach, TTIP can afford sufficient safeguards to sensitive interests in the realm of cultural diversity while preserving a comprehensive agreement, devoid of sectoral carve-outs inconsistent with the HLWG and a comprehensive trade negotiation.

With respect to ensuring mutually strong, healthy industries in both economies, we want to work in a cooperative manner with you and our EU colleagues to ensure that new barriers do not impede the ability of creators to reach audiences in both economies, and globally.

In a few short years, the global filmed entertainment industry will have virtually completed its transformation from conventional 35mm format to digital format. We support an e-commerce chapter in the TTIP with provisions providing for the duty-free and non-discriminatory trade in films in legitimate digital format.

We noted at the outset that an effective intellectual property rights (IPR) regime is critical to the US filmed entertainment industry, and our relationship with the EU on such matters is built upon decades of positive cooperation with our European partners, including in multilateral settings. In particular, we are working cooperatively to address a major common challenge of ensuring that the internet is governed responsibly and that opportunities are created for new legal services to emerge.

The US and EU have very strong intellectual property laws and enforcement regimes, albeit different in various respects due to different legal systems and traditions. In

recognition of this fact, unique to this set of negotiations, and consistent with the report of the HLWG, we believe that the US position in the TTIP should reaffirm the following key objectives concerning IPR negotiations:

- The importance of copyright and related rights as drivers for innovation and economic prosperity;
- Acknowledgement of the high level of protection in law and enforcement in both economies including existing international intellectual property obligations; and,
- Cooperation between the U.S. and EU on third country concerns.

In addition, we recommend that the US seek an anti-camcording measure as adopted in the Korea-US Free Trade Agreement (KORUS). Camcording continues to be the source of nine out of ten pirated newly released films, and experience confirms that anti-camcording measures have a significant and positive effect on stopping film theft.

We applaud USTR's leadership on this initiative, and in moving the export-growth, trade liberalization agenda forward in so many venues. The more than 2.1 million men and women who work in the US motion picture industry depend on sustaining that growth, and thus likewise depend on the market opening objectives USTR has articulated for the TTIP.

With best personal regards, I am

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Frazier". The signature is fluid and cursive, with the first name "Greg" being more prominent than the last name "Frazier".

Greg Frazier

Doug Bell, Chairman  
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