



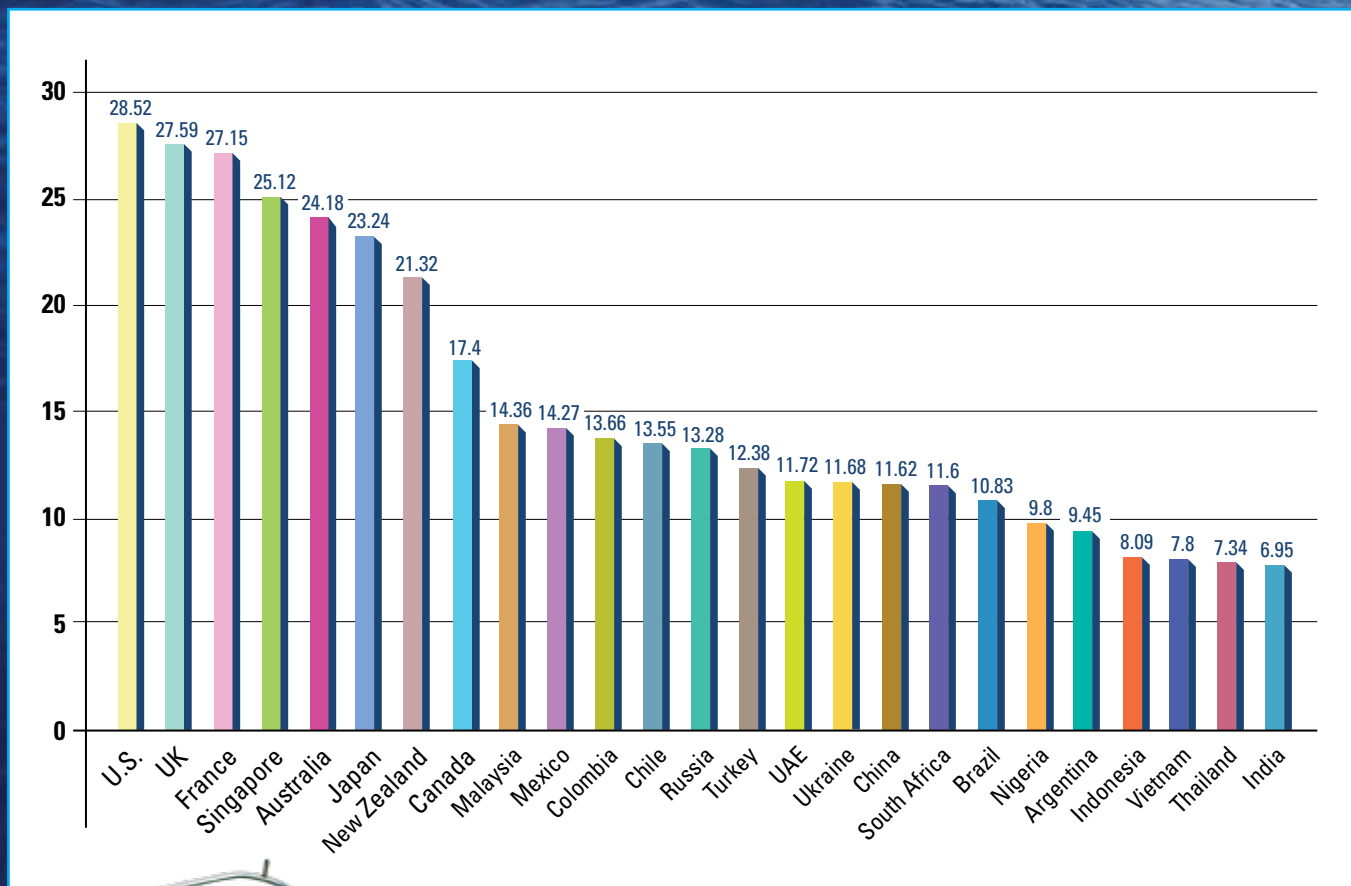
CHARTING THE COURSE

GIPC International IP Index, 2nd Edition

Innovative economies that harness the ingenuity of their citizenry propel the creation of jobs, protection of public safety, access to future innovations, and stimulate competition in the global economy. Safeguarding IP supports domestic innovators and creators, attracts world-leading research and development, and creates and sustains high-quality future jobs.

The 2nd edition of the GIPC International IP Index, *Charting the Course*, maps the IP environment of 25 countries from around the world utilizing 30 factors, which are indicative of an IP environments that fosters growth and development. The result is a rigorous statistical tool that business and policy makers can use to measure a country's direction as they seek to chart a course to promoting an innovative and creative economy.

Overall Country Scores





KEY FINDINGS:

Charting the Course – Heading in the Right Direction

Over the past year, a number of countries have taken steps toward improving their IP systems by securing effective and transparent IP rules:

- ★ **Canada** recently concluded negotiations with the European Union on the Comprehensive Economic and Trade Agreement (CETA). Should the provisions of CETA successfully be implemented, Canada's IP environment would improve significantly.
- ★ **China** continues to show strength in the patents arena, earning the highest score of all middle-income countries and even out-performing high-income countries such as **Chile** and **UAE**. While progress is being made, China's overall IP environment continues to see challenges, particularly in regard to trademark and trade secrets.
- ★ **Russia's** new notice-and-takedown provision with regard to the responsibilities of "information intermediaries" indicates progress in protecting copyrights.
- ★ **Malaysia** introduced significant changes to its copyright laws.
- ★ The negotiations of the **Trans Pacific Partnership (TPP) Agreement** continue to provide an opportunity for the negotiating countries (10 of the 12 TPP parties are mapped in this Index) to significantly improve their IP environment.

Charting the Course – Moving Backwards

While a number of countries have taken positive steps toward improving their IP environments, some countries have taken steps backward that will stifle innovation and arrest the ability of creators and inventors to have their IP protected.

- ★ **India** continues to have the weakest IP environment of all countries included in the GIPC Index. The continued use of compulsory licenses, patent revocations, and weak legislative and enforcement mechanisms raise serious concerns about India's commitment to promote innovation and protect creators.
- ★ **South Africa** scores poorly in the Patents category due to the lack of patent term extension for pharmaceutical products and regulatory data protection for clinical data.
- ★ **Canada** continues to lag behind other developed nations on protecting and enforcing IP. The lack of a takedown mechanism or equivalent obligation on the copyright side, and the onerous "patent utility" requirements related to pharmaceutical patents continue to be a concern.
- ★ **Ukraine's** score is significantly boosted by its high score in the International Treaties Category. However, Ukraine's IP environment continues to be weak across all IP categories, as reflected in the United States Trade Representative's *2013 Special 301 Report* in which Ukraine is the only country labeled a "Priority Foreign Country."
- ★ **Australia's** plain packaging requirements severely limits the ability of trademark owners to exploit their rights, and sends a chilling message to brand owners interested in selling in the Australian market. In 2013, five countries brought action against Australia in the WTO on the basis the new law violates Australia's WTO commitments.