



March 9, 2018

Eric Garcetti  
Mayor  
City of Los Angeles  
200 N. Spring Street  
Los Angeles, CA 90012

Dear Mayor Garcetti,

We, the undersigned organizations, applaud the important work of the Los Angeles Police Department’s (LAPD) Anti-Piracy Unit, which we have long regarded as the most effective anti-counterfeiting and piracy enforcement unit of its kind. We urge you to reject any efforts to dismantle or degrade it.

As you have often proclaimed, many consider Los Angeles “the creative capital of the world.” Effective protection against pirated and counterfeit goods is critical to retaining the city’s, and the nation’s, leadership in the creative industries.

Los Angeles is home to the major U.S. film, television, and recording studios, which create thousands of businesses, both large and small. Los Angeles is also a dominant apparel and footwear manufacturing and enduring fashion design center, with more than \$43 billion in apparel entering Los Angeles ports.<sup>1</sup> According to a 2017 report, the creative industries alone employ 759,000 workers in the Los Angeles region, in addition to the thousands of small businesses positively impacted by the creative economy. The entertainment industry supports 2.1 million jobs<sup>2</sup>, with the local creative economy output valued at \$190.3 billion.<sup>3</sup>

<sup>1</sup> California Fashion Association, <https://www.cit.com/assets/0/74/83/350/4294967337/352/5a01f22d-ab28-4ced-a514-e9f855f0e959.pdf>.

<sup>2</sup> MPAA <https://www.mpa.org/jobs-economy/>

<sup>3</sup> OTIS Report On the Creative Economy, 2017 <https://laedc.org/wp-content/uploads/2017/05/2017-LA-Region-Creative-Economy-Report-FINAL.pdf>

The LAPD's Anti-Piracy Unit has served those businesses and their workers admirably, helping to protect the creativity and innovation that drives the city's economic growth, provides well-paid jobs, and attracts diverse talent from around the world.

The economic threat posed by counterfeit and pirated goods is real. In 2013, the estimated international trade in counterfeit and pirated products represented up to 2.5% of world trade, equaling as much as \$461 billion.<sup>4</sup> Domestically, in 2016, the total estimated MSRP of counterfeit products seized in the U.S., had they been genuine, totaled \$1,382,903,001.<sup>5</sup> As it relates to entertainment, the total value of counterfeiting and piracy is estimated to reach upwards of \$2.8 trillion by 2022. Global impact on sales tax revenue as a result of displacement due to counterfeiting is between \$70 billion and \$90 billion.<sup>6</sup>

The LAPD's Anti-Piracy Unit has played an important role in this fight. For example, in 2017, the Unit served 15 search warrants and arrested 20 individuals for crimes directly related to intellectual property, recovering more than \$9 million dollars.<sup>7</sup>

The exceptional investigative work of the LAPD's Anti-Piracy Unit should remain active in intellectual property enforcement. Enforcement officers within the unit are often the first line of defense in protecting the community from the harms of counterfeit products. Once specialized institutional knowledge and memory is lost, rebuilding this capacity is difficult.

We respectfully request that the LAPD allow the Anti-Piracy Unit to continue its excellent work as a critical frontline effort in the fight against counterfeiting and piracy.

Respectfully,

American Apparel and Footwear Association  
American Intellectual Property Law Association  
Copyright Alliance  
CreativeFuture  
Global Innovation Policy Center, U.S. Chamber of Commerce  
International AntiCounterfeiting Coalition  
International Chamber of Commerce - Business Action to Stop Counterfeiting and Piracy  
International Trademark Association  
Los Angeles Chamber of Commerce  
Motion Picture Association of America  
Recording Industry Association Alliance  
The Valley Industry and Commerce Association

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<sup>4</sup> EU Observatory and OECD Report on Trade in Counterfeit and Pirated Goods (2016).

[https://euipo.europa.eu/tunnel-web/secure/webdav/guest/document\\_library/observatory/documents/Mapping\\_the\\_Economic\\_Impact\\_study/Mapping\\_the\\_Economic\\_Impact\\_en.pdf](https://euipo.europa.eu/tunnel-web/secure/webdav/guest/document_library/observatory/documents/Mapping_the_Economic_Impact_study/Mapping_the_Economic_Impact_en.pdf)

<sup>5</sup> U.S. Customs and Border Protection IPR Annual Seizure Statistics (FY 2016).

<sup>6</sup> INTA-ICC BASCAP report on *The Economic Impacts of Counterfeiting and Piracy* (February 2017).

<sup>7</sup> U.S. Department of Justice <https://www.justice.gov/iptf/page/file/1031771/download>