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Trade Analyst Raises Concerns Ahead of EU-US Summit

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By [Nathan Burchfiel](#)

(CNSNews.com) - A trade analyst is raising concerns that an upcoming summit of European leaders hosted by President Bush may result in a rolling back of some intellectual property rights (IPR) in the United States.

The summit, scheduled for April 30, will bring European Union leaders to the White House to address a host of issues, including nuclear non-proliferation, reconstruction in Iraq and Afghanistan, and transatlantic trade.

One of the summit's goals will be finding ways to "reduce regulatory and trade barriers," according to the White House's February announcement of the meeting. The discussions could include intercontinental cooperation on intellectual property regulations.

"If the White House secures regulatory harmonization...at the E.U. rather than the U.S. level, I am truly concerned that it would seriously undermine the constitutionally protected private property rights of U.S. owners," trade analyst Lawrence Kogan wrote in a paper cautioning against cooperation.

"Private U.S. intellectual property rights are under international assault by foreign governments that are intent upon securing transfer of U.S. scientific and technological know-how at concession rate prices," he said.

Kogan told Cybercast News Service Friday that he doesn't think Bush has a particular interest in loosening American IPR regulations, but that he "is being pushed politically into considering things that he otherwise wouldn't have considered."

He said the influence from Brussels -- the E.U. headquarters -- as well as from some Democrats in the U.S. Congress, is pushing the administration toward more "open source" intellectual property rules, favoring "shared knowledge" over private interest.

"They don't have a concept of the Fifth Amendment in Europe," Kogan said, referring to the U.S. Constitution's amendment requiring "just compensation" for private property to be taken for public use.

Specifically, weakened property rights could make it easier for international governing bodies to put compulsory licenses on some pharmaceutical technologies so medicines created in the U.S. could be cheaply produced by other companies for fighting disease in the developing world.

Kogan predicts that adopting more open intellectual property regulations would have "a chilling effect on American investment, invention and innovation, and threaten the long-term national economic and technological security interests of the United States."

A spokesman for the Office of the United States Trade Representative (USTR), the agency that develops international trade policy and oversees trade negotiations with other countries, did not return calls requesting comment for this article.

On its website, the USTR states that it "recognizes the critical importance of intellectual property and innovation to the enhanced productivity and future growth of the U.S. economy" and that it "uses a wide range of bilateral and multilateral trade tools to promote strong intellectual property laws and effective enforcement worldwide."

The European Union in 2006 made the USTR's "watch list" for intellectual property rights protection. The E.U. joined 33 countries in making the list of trade partners with "underlying [intellectual property rights policy] problems."

Until 2005, the USTR placed the E.U. on its "priority watch list," which designates countries that "do not provide an adequate level of IPR protection or enforcement." China and Russia currently top the priority watch list.

The E.U. made the watch list in 2006 "because of concerns over E.U. rules concerning geographical indications," which are marks used on goods that have characteristics related to a specific geographic region -- such as olive oil produced in Tuscany -- according to the World Intellectual Property Association.

The E.U.'s approach to protection of geographical indications worries the USTR office, which stated in the report that "concerns remain with respect to this new regulation's impact on the rights of trademark owners, which the United States continues to analyze."