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2026 Special 301 Public Hearing
Special 301 Subcommittee
Office of the United States Trade Representative
Docket No. USTR-2025-0243

Notice of Intent to Testify and Hearing Statement of the Intellectual Property Owners Association (IPO)

WITNESS

Thomas S. Valente
Senior Director for Global Affairs
Intellectual Property Owners Association
1501 M St. N.W., Suite 1150
Washington, D.C. 20005
T: 202.507.4503
tvalente@ipo.org

HEARING STATEMENT

Special 301 Subcommittee Members:

I am pleased to be with you today. My name is Thomas Valente, and I am Senior Director for Global Affairs at the Intellectual Property Owners Association, also known as “IPO.” On behalf of IPO and its members, thank you for the opportunity to testify today and for your continued work ensuring U.S. trading partners provide adequate and effective protection of intellectual property (IP) rights — and fair and equitable market access to companies who rely on IP protection.

IPO is an international trade association representing a “big tent” of diverse companies, law firms, service providers and individuals in all industries and fields of technology that own, or are interested in, IP rights. IPO members make vital contributions to America’s economic success by developing advances that drive exports and create jobs.

Innovators assume considerable risks and rely on IP to protect investments in new technology. In our comments to the Subcommittee, IPO describes numerous challenges presented to adequate and effective protection of IP rights around the world. I will now address some of these challenges.

Trade Secret Protection and Related Issues

For years, Article 39 of the TRIPS Agreement has required WTO members to ensure effective protection of trade secrets. Many countries, however, have not aligned their enforcement environments with TRIPS obligations. Further, the positive intentions behind the efforts in overall data protection, AI regulation, and privacy must be balanced with a fundamental purpose of IP rights—encouraging innovation and progress by allowing IP to be subject to appropriate protections. Current policies, however, risk exposing trade secrets, proprietary data, and confidential algorithms. In addition, several U.S. trading partners do not provide regulatory data protection (RDP) or have inadequate RDP regimes. IPO believes that USTR should continue to prioritize appropriate IP protection and ensure high standards in trade agreements.

Counterfeiting

Counterfeiting poses a significant health, safety, and economic threat across the globe. Online platforms and messaging services enable counterfeiters to evade detection. Governments must

strengthen enforcement mechanisms, increase penalties for counterfeiting, and enhance cross-border collaboration.

Compulsory Licensing

Several countries have adopted or are considering expanded compulsory licensing regimes.

Although IPO recognizes that compulsory licenses of IP rights may be legally permissible in limited and rare situations, IPO believes that licensing of IP rights is best accomplished through voluntary efforts. This is because granting compulsory licenses undercuts the importance of a predictable IP system and undermines investment in innovative solutions that benefit society.

Patent Enforcement Issues

Weak enforcement, excessive evidentiary burdens, insufficient judicial expertise, and slow legal processes undermine global patent systems. IPO urges reforms that ensure effective, fair, and efficient resolution of patent disputes.

Genetic Resources and Traditional Knowledge Requirements

Patent laws that impose disclosure requirements regarding the source and origin of genetic resources introduce uncertainties into the patent system that inhibit innovation in relevant technologies. IPO believes that such requirements risk undermining the innovation ecosystem.

Unpredictability Associated With AI-Related Patent Applications and Copyrightability of Works Created Using AI

Divergent global approaches to AI inventorship, disclosure, and copyrightability also create legal uncertainty. IPO encourages USTR to advocate for greater harmonization in this area, while also

ensuring trade secrets, proprietary data, and confidential algorithms are subject to appropriate protection, as mentioned previously.

Conclusion

In conclusion, effective IP protection in foreign markets is vital for American innovators. It enables investments in research and development and the sharing of information among partners with the knowledge that it will be protected, which results in important offerings in the global marketplace. IPO looks forward to working with you to build a global IP environment that encourages innovation and safeguards quality, high-paying jobs in innovative industries. On behalf of IPO, thank you again to the Subcommittee for its efforts to promote the protection of IP rights globally, which will sustain and grow America's economy and provide new innovations to meet global challenges.