

# Response to Department for Business and Trade Consultation on the Government's future Trade Strategy

## Introduction

The British Copyright Council (BCC) represents those who create, perform, hold interests, or manage rights in literary, dramatic, musical, and artistic works. The following response has been developed with our membership which includes professional associations, industry bodies and trade unions which collectively represent the voices of over 500,000 creators and performers, spanning the creative industries.

These rights holders include many individual freelancers, sole traders, and SMEs, as well as larger corporations within the creative and cultural industries. Our members also include collecting societies which represent rights holders, and which provide licensed access to works of creativity.

We are grateful for the opportunity to provide a response to the Government's *Trade Strategy* Consultation.

## Call to Government

The UK has a strong and valuable copyright framework. It has been carefully developed over many years since the 1709 Copyright Act, in conjunction with the development of, and respect for International Copyright Treaties which successive UK governments have helped to shape. It is essential that these achievements be neither rolled back nor traded in FTAs.

Intellectual property and copyright are central to trade deals and the UK must use these negotiations to improve the effective recognition and enforcement of copyright at an international level.

Copyright is the basis of the successful international trade for our industry. UK government should reference copyright in the trade negotiations as well as in any partnerships.

## The Creative Industries, UK Copyright and Trade

- The creative industries contribute enormously to UK trade and exports and our soft power overseas. For example, in 2021 the value of goods exported by the creative industries sector was £18.7bn. (These numbers were driven by music, performing and visual arts, publishing, film, tv, radio, photography, museums, galleries and libraries).
- It is the UK's strong copyright and enforcement regime which ensures the economic success of the creative industries to the UK export market .
- Overall, the creative industries accounted for 15.9% of all UK service exports and 2.2 % of all UK exports of goods in 2021<sup>2</sup>.

- In 2019, the value of goods exported by sector was: £20.1bn for the Creative Industries (49.9% higher than 2018; 33.0% higher than 2015) and £17.4bn for the Cultural Sector (63.2% higher than 2018; 41.4% higher than 2015).<sup>1</sup> These numbers are driven by music, performing and visual arts, publishing, film, tv, radio, museums, galleries and libraries.
- Intellectual Property (IP) is also in the top five UK service exports, valued at £17.5bn in 2020, 6.5% of UK exports, therefore the IP Chapters in any trade agreements are of paramount importance to the UK's future as an exporter, but also its reputation as a hub for innovation and culture that draws many people to the UK to do business.<sup>2</sup>
- Research from the Intellectual Property Office in 2022 found that industries with an above average use in IP rights accounted for 26.9% (£298.5 billion) of UK non-financial value-added output, 15.5% (4.5 million) of total UK employment and 52.1% (£159.7 billion) of goods exported. Industries with a high use of IP rights accounted for 15.0% (£166.5 billion) of non-financial value-added output, 5.1% (1.4 million) of total UK employment and 12.1% (£37.1 billion) of total goods export value<sup>1</sup>.
- The BCC and our members have contributed to recent consultations concerning free trade agreements, e.g. with Australia and New Zealand, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), India, Turkey and South Korea.
- We recommend that the UK's international IP Attaché Network be maintained and their services be better signposted to businesses and that high-growth IP sectors, such as the creative industries are given bespoke export support.

We refer the Government to our specific policy briefings on our website including:

- [Trade with South Korea: Call for input - BCC](#)
- [BCC response to the Trade with Switzerland- call for input - BCC](#)
- [Policy: Final BCC Trade with the Gulf Cooperation Council- Call for input - BCC.](#)

We also refer the government to our submission on the industrial strategy.

## World leading UK creative industries

- The BCC supports the government recognition of the UK's creative industries as world-leading, showcasing the best of its creativity and culture to the world.
- We too recognise the UN Trade and Development's assessment that the UK is the third largest creative services exporter behind the US and Ireland, worth \$87 billion in 2022.
- Globally, one in 10 songs streamed are from the UK.
- The UK is a global centre for screen production, with £4.23 billion in production spend in 2023, of which 78% was from inward investment.
- The UK's creative industries accounted for 67% of the UK's digital exports in 2021.

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<sup>1</sup> [Use of Intellectual Property rights across UK industries - GOV.UK](#)

- As the government rightly identifies the creative industries are expected to grow worldwide, creating further growth opportunities including:
- Half of global trade is expected to be digital by 2050.
- The sector is highly innovative, attracting significant inward investment and producing goods and services that are world renowned.
- PwC estimates that the global Entertainment and Media sector will grow to \$3.4 trillion by 2028.

## Copyright and Trade Negotiations

The protection and promotion of UK copyright should be a central tenant at the heart of UK trade policy, ensuring that everything we create in the UK has the potential to achieve its maximum value and that creators are rewarded for their endeavours.

Existing trade negotiations have resulted in a number of important successes for example the agreements with New Zealand<sup>2</sup> and Australia<sup>3</sup> providing benefits to British artists and the term of copyright in New Zealand being extended to the benefit of all UK creative industries.<sup>4</sup>

## Principles for Free Trade Agreements (FTAs)

We support calls for the provisions within IP Chapters of future FTAs to promote both ratification and adherence to the terms of the International Treaty provisions for recognition and enforcement of copyright, trade mark, design and other IP rights.

We therefore want the negotiations to encourage national reform where current practice falls short of standards which UK legislation has already recognised are necessary for the effective development of copyright law, including in the digital environment.

These include:

- **defending standards**, such as the Berne Convention’s Three Step Test for defining the scope of exceptions and limitations to copyright, against moves towards “watered down” or overly vague descriptions that require litigation to interpret and detrimental costs to businesses. In considering such a defence, we must take into account the huge importance of the UK design sector and the central role that IP rights play in allowing designers to contribute to the UK both culturally and economically;
- **allowing flexibility** for higher levels of protection to be applied, whilst pushing for new standard levels of protection when international norms have already moved beyond minimum levels established under International Treaty provisions (for example, on the terms of protection for copyright )

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<sup>2</sup> [UK artists set for New Zealand royalties boost - GOV.UK](#)

<sup>3</sup> [UK Artists On Course For Royalty Windfall Down Under - GOV.UK](#)

<sup>4</sup> [UK New Zealand Free Trade Agreement Services Mobility and Investment](#)