

Stop Online Piracy Act

Rep. Lamar Smith, along with Reps. John Conyers, Bob Goodlatte, Mel Watt, Howard Berman and a bipartisan group of eight original co-sponsors, introduced H.R. 3261, the Stop Online Piracy Act. This Act would help cut off foreign rogue sites that steal American jobs, hamper our economic growth, and harm our consumers.

ABOUT ROGUE SITES

Rogue sites are websites devoted to the sale of counterfeit goods or the distribution of pirated content. Their actions fundamentally threaten the foundations of America's intellectual property-intensive industries that **employ more than 19 million Americans**, provide **60% of U.S. exports**, and drive our economic growth to the tune of **\$7.7 trillion in gross output**. Rogue sites steal jobs from our most creative and innovative sectors, threatening the long-term vitality of our economy. And the fakes that rogue sites offer are often shoddy or even harmful, putting consumers at risk. **Rogue sites have no place in a legitimate online market.**

Counterfeiting and piracy are already illegal. But many rogue site operators are outside of the United States, beyond the reach of our law enforcement authorities and our courts. From across our borders, they reach into our homes and businesses, abusing the Internet to steal from us. The Stop Online Piracy Act can help change all that.

KEY PROVISIONS OF THE STOP ONLINE PIRACY ACT

- The Act authorizes the U.S. Department of Justice to file a civil action against foreign rogue sites to obtain an order from the court if the site is committing or facilitating criminal IP theft. Such an order, if granted, requires Internet Service Providers (ISPs) and search engines not to link or connect users to the rogue site and will require payment processors and online advertising networks to cut off the flow of money to the rogue site. It will get them off our computers and out of our marketplace.
- The Act provides for a notice/counter-notice system for victims of rogue sites to seek to cut off the flow of money from the U.S. to those rogue sites. If that process does not result in action, the Act gives rights owners the authority to bring action against rogue sites, but limits the court order to payment network providers and Internet advertising services. The Act also encourages and protects strategic partners when they take voluntary action to cut off rogue sites, including sites that illegally peddle prescription medication without requiring a prescription.
- The Act provides the same notice and other due process protections available in all other federal civil cases, giving the domain name owners or site operators the right to defend themselves in court. In addition, it goes even further by allowing them to return after the case is over and convince the court that the website is no longer dedicated to IP theft. And in no case does the victim of the rogue site receive any compensation for the IP theft, only an order to cut off the rogue site.

Support for legislation to shut down rogue sites has come from business organizations, organized labor, businesses small and large, liberals and conservatives, think tanks, and public interest organizations.

- **Small Business and Entrepreneurship Council:** “While businesses have learned to adapt to the online world, so must our laws that protect American companies and consumers. This is precisely why rogue sites legislation is needed, and urgently. We commend the House rogue sites bill for giving the government, enforcement agencies, and rights owners the necessary tools to disrupt the online black market.”
- **American Federation of Musicians (AFM), American Federation of Television and Radio Artists (AFTRA), Directors Guild of America (DGA), International Alliance of Theatrical Stage Employees, Moving Picture Technicians, Artists and Allied Crafts of the United States, Its Territories and Canada (IATSE), International Brotherhood of Teamsters (IBT), and Screen Actors Guild (SAG) joint statement:** “Left unchecked, these rogue websites threaten the vitality of the online marketplace by stealing the work of American innovators and undermining legitimate business. They profit by offering access to content that they had no role at all in creating or financing, and they threaten real jobs, not only for our members but for those with whom they collaborate on set and hundreds of thousands of others whose livelihoods are dependent on the economic health of our business. Without proactive measures like the Stop Online Piracy Act, rogues sites will continue to siphon away wages and benefits from members of the creative community, greatly compromising our industry’s ability to foster creativity, provide opportunities, and ensure good jobs.”
- **The Institute for Liberty:** “Protecting our intellectual property rights is a fundamental, constitutional duty of our government. The theft perpetrated by rogue websites undermines the Founders’ design. The Stop Online Piracy Act is a critically needed tool to restore the Founders’ vision.”
- **Alliance for Safe Online Pharmacies:** “Illegal online drug sellers should be held accountable for putting consumers’ lives at risk. We are encouraged that the House introduction of rogue sites legislation will help address this critical public health and safety issue.”
- **Sporting Goods Manufacturers Association:** “Rogue websites—many of which are hosted outside of the U.S.—are increasingly sophisticated in both design and operation, and often deceive consumers into believing they are legitimate products. They cost American jobs and undermine our business. Rogue sites also represent a severe health and safety risk to consumers who unwittingly purchase unsafe products. Rogue sites legislation will keep American consumers protected and jobs saved.”
- **National Association of Manufacturers:** “The sale of counterfeit and pirated goods on rogue websites costs thousands of manufacturing jobs across America each year and puts countless more at risk. With a high unemployment rate and a struggling economy, this threat has to be eliminated.”