

AMBASSADOR OF THE UNITED STATES OF AMERICA OTTAWA, CANADA

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October 13, 2006

The Honorable Maxime Bernier Minister of Industry Government of Canada

Dear Minister Bernier:

I have been asked to forward the enclosed letter to you from United States Trade Representative Susan Schwab. A signed copy is being mailed to you. Copies of Ambassador Schwab's letter are also being provided to Minister of International Trade David Emerson and Minister for Canadian Heritage Beverley Oda.

Ambassador Schwab is writing regarding Canada's efforts to provide strong protection to intellectual property rights, and in particular, provides U.S. Government views on the expected introduction of legislation to ratify and implement the World Intellectual Property Organization Copyright Treaty and the World Intellectual Property Organization Performances and Phonograms Treaty.

The Embassy staff and the United States Government stand ready to assist the Government of Canada in this important endeavor.

Sincerely,

David H Wilkins

Enclosure

10.16.06

EXECUTIVE OFFICE OF THE PRESIDENT THE UNITED STATES TRADE REPRESENTATIVE WASHINGTON, D.C. 20508

The Honorable Maxime Bernier Minister of Industry Government of Canada

Dear Min Dennier:

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It was a pleasure to have met with you on September 12 during my recent trip to Ottawa to sign the U.S.-Canada Softwood Lumber Agreement. I am writing now to share my thoughts with you about your government's timely efforts to bring Canada's copyright regime into line with the World Intellectual Property Organization Copyright Treaty and the World Intellectual Property Organization Performances and Phonograms Treaty ("WIPO Treaties").

When U.S. and Canadian teams met in Ottawa last week to discuss intellectual property, they discussed Canada's progress in developing its copyright legislation. The United States team shared our thoughts on the actions we believe Canada should take to effectively implement a strong intellectual property rights regime. The United States is committed to supporting Canada's endeavors to create an effective framework that promotes a high standard of intellectual property rights protection and encourages innovation and spurs economic growth in Canada.

I understand Canada may soon introduce legislation to ratify and implement the WIPO Treaties. In this regard, I urge you to ensure inclusion of the following elements as you prepare legislation:

- Prohibiting the manufacture and trafficking of circumvention devices, in addition to
 prohibiting the act of circumvention of both rights control technical protection measures
 (TPMs) and access control TPMs.
- Enacting an ISP limitation-of-liability statute that effectively reduces copyright
 infringement on the Internet by using the more widely recognized "notice-and-takedown"
 model, rather than the less effective "notice and notice" model.

Canada's longstanding reputation for constructive participation in international discussions over the definition and scope of intellectual property has been a valuable and effective contribution to the global dialogue. The United States has long enjoyed working collaboratively with Canada in the G-8, APEC, the OECD, WIPO, and the WTO, as we share the view that intellectual property rights protection is in all countries' economic interest as well as that of our respective stakeholders.

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With the increasing integration of the U.S. and Canadian economies over the last several years, our engagement stands as a model of mutually-beneficial trade relations. I urge the Canadian Government to put forward legislation that provides strong intellectual property rights protection which will help us meet the challenges of a changing world.

Sincerely,

Susan C. Schwab

cc: The Honorable David L. Emerson Minister of International Trade

> The Honorable Beverley J. Oda Minister of Canadian Heritage