

Counterfeiters, hackers cost US up to \$600 billion a year

February 27 2017, by Paul Wiseman

Counterfeit goods, software piracy and the theft of trade secrets cost the American economy as much as \$600 billion a year, a private watchdog says.

In a report out Monday, the Commission on the Theft of American Intellectual Property says the annual losses range from about \$225 billion to \$600 billion. The theft of [trade secrets](#) alone costs the United States between \$180 billion and \$540 billion annually. Counterfeit goods cost the United States \$29 billion to \$41 billion annual; pirated software costs an additional \$18 billion a year.

The findings echo those of the Office of the Director of National Intelligence, which in 2015 pegged the annual cost of economic espionage by computer hacking at \$400 billion.

The commission labels China the world's No. 1 culprit. Including Hong Kong, China accounts for 87 percent of [counterfeit goods](#) seized entering the United States. The report says the Chinese government encourages [intellectual property](#) theft.

The commission is led by former Republican presidential candidate and Utah Gov. Jon Huntsman, who also served as U.S. ambassador to China, and Adm. Dennis Blair, a former director of U.S. national intelligence.

"The vast, illicit transfer of American innovation is one of the most significant economic issues impacting U.S. competitiveness that the

nation has not fully addressed," Huntsman said. "It looks to be, must be, a top priority of the new administration."

© 2017 The Associated Press. All rights reserved.

Citation: Counterfeiters, hackers cost US up to \$600 billion a year (2017, February 27) retrieved 25 April 2024 from <https://phys.org/news/2017-02-counterfeiters-hackers-billion-year.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.