The Economics of Ideas

Overview:
In today's global marketplace, intellectual property (IP) is a hot commodity. Under IP laws, creations of the mind (e.g. inventions, songs, stories, logos) are considered assets just like one's home or car. Unfortunately, however, there are thieves who steal this property from individuals and manufacture billions of dollars worth of counterfeit merchandise. Nearly every industry, from software to toys to pharmaceuticals, is being affected. In this lesson plan, students will learn how the trade in counterfeit and pirated goods impacts the world economy and they will develop public awareness campaigns from a variety of perspectives represented by industries that are deeply connected to the issue.

Activity #1: Identity Theft

Essential Questions: What is intellectual property?
Materials needed: Paint or drawing supplies and art paper

Directions:
TEACHER’S NOTE: If possible, work with the art teacher ahead of time and have the student pictures created in art class first, then display them in your classroom. You can even surprise your students with the display. This approach allows the time to be split between two different class periods

1. Ask all students to paint or draw a picture that illustrates themselves involved in their favorite activity or hobby. Tell the students not to put their name anywhere on the picture.

2. Hang finished pictures on the wall.

3. Have all students take turns choosing one picture that is not their own. Have them take the picture off the wall and write their name on it.

4. Instruct each student to identify with the person in the picture by giving a one or two minute impromptu presentation to the class with a made-up explanation of what “they” are doing in the picture. Let them have fun creating a story around the particular image(s) in the picture they have selected.

5. Discuss that what they just did is an example of intellectual property theft and introduce the following definition:
   Intellectual Property (IP) - An original idea or product that is protected by law providing the right to use or benefit from it.

6. Ask for some specific examples of IP theft in the world economy. Write these examples on the board. Examples may include: counterfeit brand name purse, counterfeit pharmaceuticals, counterfeit car parts (e.g. brake pads), pirated movies or music, or pirated computer software.
Activity #2: Industry Campaigns against Counterfeiting and Piracy

Essential Questions:
- What are counterfeiting and piracy?
- Who do they directly impact?
- What are some ways to overcome piracy and counterfeiting?

Materials needed: Industry Cards (attached)

Directions:
In this activity, students will be assigned a particular industry that has an interest in the trade of counterfeit and pirated goods and they will represent this group to the class as part of a formal presentation.

1. Define the terms “counterfeiting” and “piracy.”

Counterfeiting and piracy are both infringements on intellectual property. Counterfeiting is typically referred to as the production of fakes that are intended to deceive or carry the appearance of being genuine. Piracy, on the other hand, is usually considered the unauthorized reproduction and distribution of electronic or audio-visual media.

2. Explain to students that counterfeiting and piracy are IP crimes with serious threats to business, consumers, government, and the global economy.

3. Pose the following questions:

By a raise of hands, how many of you have ever bought a counterfeit (purse, clothes, etc.) or downloaded music illegally?
Did you know it was illegal?
Does it matter whether you buy the real thing or a fake? Why or why not?
Should someone be able to "own" an idea? An invention? A song? A design? What rights should the person have who came up with the idea?
What protections should there be for original ideas?

4. Provide the class with the following information: Counterfeiting and piracy cost the U.S. economy between $200-$250 billion per year and the world economy approximately $650 billion per year. Nearly every industry is vulnerable.

5. Divide the class into five groups. Tell them that each group will be assigned a different industry, for which they will research and represent to the class in the form of a public awareness campaign.

6. Cut and hand out one of the Industry Cards (attached) to each group.

7. Instruct each group to make a list of the many ways counterfeiters and pirates might work in their particular industry of focus.

8. Give students time to research their respective industry and to develop a campaign against counterfeiting and piracy for their industry. Require, if possible, the students to put their campaign ideas into a PowerPoint (or other presentation format) that will be presented to the rest of the class. Each presentation should include suggestions for combating counterfeiting and piracy in their industry. They should also demonstrate how they anticipate getting their anti-IP theft message across to the public (e.g. they could create a TV ad campaign, build a Web site, launch a blimp, run a contest). Let them imagine that they have a one million-dollar budget. They should feel free to build upon actual programs that already exist for their particular industry. Encourage students to make use of a wide variety of information such as pictures, facts, and quotes.

9. Have each group present their campaign to the class. Presentations should be approximately ten minutes each.

Content Development: Nancee Hunter, Writer; Alice Manning, NG Education & Children's Programs, Editor; Chelsea Zillmer, Fact checker; Katie Wilson, U.S. Chambers, Reviewer; Kim Hulse, NG Education & Children's Programs, Reviewer. Design: Patrick Truby. Project Management: Jeff Dow, NG Television & Film; Melissa Goslin, NG Education & Children's Programs.
The U.S. Chamber of Commerce

The U.S. Chamber of Commerce is the world’s largest business federation representing more than three million businesses of all sizes, sectors, and regions. It includes hundreds of associations, thousands of local chambers, and more than 100 American Chambers of Commerce in 91 countries.

**MISSION:** In this activity, students will be assigned a particular industry that has an interest in the trade of counterfeit and pirated goods and they will represent this group to the class as part of a formal presentation.

**WEBSITES:** www.uschamber.com; www.thetruecosts.org

Motor & Equipment Manufacturers Association

Motor & Equipment Manufacturers Association exclusively represents and serves manufacturers of motor vehicle components, tools and equipment, automotive chemicals and related products used in the production, repair, and maintenance of all classes of motor vehicles. MEMA offers its members superior global intelligence, leading-edge market research, international business support, government representation, industry networking and commercial services.

**MISSION:** To be a value-added partner in making your company more profitable and efficient. We accomplish this by being at the forefront of industry issues that directly impact the bottom lines of our product manufacturer members – and by being committed to listening to our members and their concerns.

**WEBSITE:** http://www.mema.org/

The Council of Fashion Designers of America, Inc. (CFDA)

The Council of Fashion Designers of America, Inc. (CFDA) is a not-for-profit trade association of over 300 of America’s foremost fashion and accessory designers.

**MISSION:** Advance the status of fashion design as a branch of American art and culture; to raise its artistic and professional standards; to define a code of ethical practices of mutual benefit in public and trade relations; and, to promote appreciation of the fashion arts through leadership in quality and aesthetic discernment.

**WEBSITES:** http://www.cfda.com; http://thomas.loc.gov/cgi-bin/query/z?c110:s.1957:
The Motion Picture Association of America and Motion Picture Association

The Motion Picture Association of America and Motion Picture Association serves as the voice and advocate of the American motion picture, home video and television industries, domestically through the MPAA and internationally through the MPA. Today, these associations represent not only the world of theatrical film, but serve as leader and advocate for major producers and distributors of entertainment programming for television, cable, home video and future delivery systems not yet imagined.

MISSION: Advocate for strong protection of the creative works produced and distributed by the industry, fights copyright theft around the world, and provides leadership in meeting new and emerging industry challenges.

WEBSITE: http://www.mpaa.org/

The Pharmaceutical Research and Manufacturers of America

The Pharmaceutical Research and Manufacturers of America (PhRMA) represents the country's leading pharmaceutical research and biotechnology companies, which are devoted to inventing medicines that allow patients to live longer, healthier, and more productive lives. PhRMA companies are leading the way in the search for new cures. PhRMA members alone invested an estimated $43 billion in 2006 in discovering and developing new medicines.

MISSION: Conduct effective advocacy for public policies that encourage discovery of important new medicines for patients by pharmaceutical/biotechnology research companies.

WEBSITE: http://www.phrma.org/
We hope that you found the educational materials for National Geographic’s Illicit: The Dark Trade to be valuable. To better understand your needs for future materials, we would like to hear your opinions. Your responses are of great help to us. Thanks!

How would you rate the educational materials for *Illicit: The Dark Trade*?

- Excellent  
- Good  
- Fair  
- Poor  
- Did not use

How many other educators have you shared the *Illicit: The Dark Trade* materials with?

- None  
- 1-5  
- 6-10  
- 10+  

How much time would you estimate you spent using the materials with your students?

- 1 to 2 hours  
- 2 to 3 hours  
- 4 to 5 hours  
- > 4 hours  
- Did not use

How likely are you to use the materials again?

- Very  
- Somewhat  
- Not Very  
- Not at all

These materials were developed as companion to the TV show National Geographic’s *Illicit: The Dark Trade*. How interested are you in educational materials that are produced as companions to other National Geographic TV shows and movies?

- Very  
- Somewhat  
- Not Very  
- Not at all

Have these materials increased your awareness of counterfeiting and its reach?

- Yes  
- No

Does the National Geographic brand affect your likelihood to use the materials?

- I am more likely to use materials from National Geographic
- The National Geographic brand has no impact on my likelihood to use
- I am less likely to use materials from National Geographic

How likely are you to visit the US Chamber of Commerce website ([www.thetruecosts.org](http://www.thetruecosts.org)) for more information about protecting yourself from counterfeit goods?

- Very  
- Somewhat  
- Not Very  
- Not at all

What could National Geographic do to improve these types of materials in the future?

________________________________________________________________________

________________________________________________________________________

Yes! I’d like to know about future National Geographic programs.  

Email address:  

Zip Code:  

Please return this survey to National Geographic  

By Mail: Jeff Dow  
National Geographic  
1145 17th Street NW  
Washington, DC 20036  

or by Fax: 202.775.6178  
Attn: Jeff Dow  

Thank You