

In the Matter Of:
IN RE SPECIAL 301 HEARING

HEARING
February 18, 2026



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2026 SPECIAL 301 PUBLIC HEARING

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WEDNESDAY
FEBRUARY 18, 2026

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The Public Hearing convened in Rooms 1
and 2, 1724 F Street NW, Washington, D.C., at
10:00 a.m., Daniel Lee, Chair, presiding.

PRESENT

DANIEL LEE, USTR, Chair
CLAIRE AVERY-PAGE, USTR
TRACY CARSON, Department of Health and Human
Services
WON CHANG, Treasury Department
DAVID GERK, U.S. Patent and Trademark Office
WILL L'ESTRANGE, Department of Agriculture
EMILY LANZA, U.S. Copyright Office
CHRISTOPHER MERRIAM, Department of Justice
STEVAN MITCHELL, Department of Commerce
ALAINA VAN HORN, Department of Homeland Security

WITNESSES PRESENT

DONTCHO BARBALOV, Government of Bulgaria
BRIAN SCARPELLI, ACT | The App Association
CAROLINE PALMER, Computer and Communications
Industry Association
SHAWNA MORRIS, Consortium for Common Food Names
JAMIE SIMPSON, Council for Innovation Promotion
THOMAS CROCKETT, Footwear Distributors and
Retailers of America
KEVIN ROSENBAUM, International Intellectual
Property Alliance
BRIAN POMPER, Innovation Alliance
THOMAS VALENTE, Intellectual Property Owners

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Association
ERNEST KAWKA, Pharmaceutical Research and
Manufacturers of America
PETER MAYBARDUK, Public Citizen
KELLY ANDERSON, U.S. Chamber of Commerce, Global
Innovation Policy Center
TARAS SAULIAK, Government of Ukraine

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10:00 a.m.

CHAIR LEE: All right. Good morning, everyone. I would like to call this hearing to order. My name is Daniel Lee. I am the Assistant United States Trade Representative for Innovation and Intellectual Property.

I would like to welcome everyone to the public hearing for the annual Special 301 Review. The Special 301 Review is a statutorily mandated exercise.

We undertake each year to develop an overall strategy to ensure adequate and effective intellectual property rights protection, and equitable market access in foreign countries for United States persons that rely on protection of intellectual property rights, such as copyright and related rights, trademarks, patents, and trade secrets.

Ensuring that U.S. owners of intellectual property, or IP, have a full and fair opportunity to compete around the globe is one of our trade priorities. And this is the 38th annual Special 301 Review, and the 14th public hearing that USTR has hosted in

1 connection with the review.

2 I would like to note for the record
3 that today is Wednesday, February 18th, 2026,
4 and that this hearing is taking place at the
5 Office of the United States Trade
6 Representative, or USTR. We will make a
7 transcript of today's hearing available to the
8 public on USTR's website at ustr.gov.

9 Today's hearing is scheduled to go
10 until approximately 2:40 p.m., and we will break
11 for one hour and 30 minutes from 11:30 to 1:00.
12 We ask for everyone's cooperation with keeping
13 the hearing on track.

14 At this point I would like to invite
15 colleagues on the hearing panel, all of whom
16 represent United States Government Agencies that
17 serve on the Special 301 sub-committee to
18 introduce themselves.

19 MS. AVERY-PAGE: Thank you. Good
20 morning, everyone. My name is Claire Avery-
21 Page. I am a Director of Innovation and
22 Intellectual Property here at USTR.

23 MR. GERK: Good morning. David Gerk.
24 I'm the Acting Deputy Chief Policy Officer in
25 the Office of Policy and International Affairs

1 at the United States Patent and Trademark
2 Office.

3 MR. MERRIAM: Good morning.
4 Christopher Merriam. I'm the Acting Deputy
5 Chief for Intellectual Property at the Computer
6 Crime and Intellectual Property Section, United
7 States Department of Justice.

8 MS. VAN HORN: Alaina Van Horn. I'm
9 Chief of the IP Enforcement Branch at U.S.
10 Customs and Border Protection. And I'm here
11 representing the department, the two main
12 agencies that have equities in today's hearing
13 is Customs and Border Protection and Homeland
14 Security Investigations.

15 MR. MITCHELL: Good morning. I'm
16 Stevan Mitchell. I direct the Office of
17 Standards and Intellectual Property for the
18 International Trade Administration, a Bureau of
19 the Department of Commerce.

20 MS. LANZA: Good morning. I'm Emily
21 Lanza. I am Senior Counsel for Policy and
22 International Affairs at the U.S. Copyright
23 Office.

24 MR. CHANG: Hi, good morning. Won
25 Chang, Department of Treasury. I'm an

1 International Economist in the Office of
2 International Trade and Investment Policy.

3 Thank you.

4 MS. CARSON: Hi, good morning. My name
5 is Tracy Carson. I'm a Senior Health Advisor at
6 the Department of Health and Human Services in
7 the Office of Global Affairs. Good morning.

8 CHAIR LEE: I would also like to note
9 that we do have one colleague who is running
10 late, and who will join the panel when he gets
11 here.

12 The person is Will L'Estrange who is a
13 Senior Trade Advisor at the U.S. Department of
14 Agriculture. So, he'll join at the end when he
15 comes, and we'll be also asking some questions.

16 All right. To continue the Special 301
17 Subcommittee of the Trade Policy Staff Committee
18 which is comprised of the agencies you've just
19 heard from and chaired by USTR conducts the
20 annual Special 301 Review each year.

21 Stakeholder contributions and the
22 contributions of Washington based agencies, and
23 our embassy based personnel all around the world
24 are critical to this review process. The
25 subcommittee is currently in the information

1 gathering stage. On behalf of the agencies
2 here, we thank you for the views, insights,
3 opinions, and factual information you will share
4 with us today.

5 The schedule of today's hearing is
6 comprised of interested parties from foreign
7 governments, civil society, and the private
8 sector who responded to USTR's notice in the
9 Federal Register published on December 11th,
10 2025 and voluntarily requested the opportunity
11 to appear at this public hearing.

12 As a reminder, the purpose of today's
13 hearing is to provide the Special 301
14 subcommittee with additional information that we
15 can use in deliberations that will lead to the
16 publication of the 2026 Special 301 report to
17 Congress on or about April 30, 2026.

18 This year we have received public
19 filings that have addressed over 75 countries,
20 and many country specific IP protection
21 enforcement issues that may negatively affect
22 our bilateral trading relationships. Those
23 filings are available to the public at
24 www.regulations.gov. It is under Docket number
25 USTR-2025-0243.

1 The Special 301 report is the result of
2 a congressionally mandated annual review of the
3 State of Intellectual Property Rights Protection
4 and Enforcement, and trading partners around the
5 world, which the Office of the United States
6 Trade Representative conducts pursuant to
7 Section 182 of the Trade Act of 1974 as amended
8 by the Omnibus Trade and Competitiveness Act of
9 1988, and the Uruguay Round Agreements Act. The
10 provisions of Section 182 are commonly reviewed
11 to as the Special 301 provisions of the Trade
12 Act, hence the Special 301 report.

13 Specifically, Section 182 of the Trade
14 Act requires that the United States Trade
15 Representative identify countries that deny
16 adequate and effective protection of
17 intellectual property rights or deny fair and
18 equitable market access to U.S. persons who rely
19 on intellectual property protection.

20 The statute requires USTR to determine
21 which, if any countries should be identified as
22 priority foreign countries. Acts, policies, or
23 practices that are the basis of a country's
24 identification as a priority foreign country can
25 be subject to the procedures set out in Sections

1 301 through 308 of the Trade Act.

2 In addition to the statutorily defined
3 priority foreign country designation, USTR
4 created the Priority Watch List and Watch List
5 categories to assist the administration in
6 pursuing the goals of the Special 301
7 provisions. USTR is also charged with
8 developing Priority Watch List action plans when
9 a country has been on the Priority Watch List
10 without change for at least one year.

11 So, the format of today's hearing will
12 be as follows. Each party will be allotted ten
13 minutes. Each person will start with five
14 minutes of a prepared statement, leaving five
15 minutes for panel questions.

16 However, we will remain flexible within
17 the ten minute period, making adjustments as
18 needed. We will be watching the clock and will
19 interrupt with a time cue when one minute
20 remains from the allotted five minutes of
21 prepared statements.

22 The panel will hold its questions until
23 the presenter concludes his or her statement.
24 Please keep in mind the purpose of this hearing.
25 That is to provide information that the

1 committee can use in satisfying the charge of
2 the Special 301 statute when conveying your
3 testimony and responding to any questions we may
4 ask.

5 So, without further delay, I would like
6 to invite the Government of Bulgaria to start us
7 off. Welcome. Please introduce yourself and
8 begin your testimony.

9 MR. BARBALOV: Distinguished members of
10 the subcommittee, good morning and thank you for
11 this opportunity. My name is Dontcho Barbalov,
12 Deputy Minister, Ministry of Economy and
13 Industry of Bulgaria.

14 With me today are the President of the
15 Patent Office, and representatives of the
16 Supreme Prosecutor's Office, the State Agency
17 for National Security, the Ministry of Interior
18 Cybercrime Unit.

19 I'm honored to present Bulgaria's
20 sustained progress and concrete results in
21 strengthening of intellectual property
22 protection and enforcement. Bulgaria is
23 committed to ensure effective IP enforcement,
24 and over the past year has taken decisive,
25 systemic, and drastic actions to combat online

1 piracy.

2 Most importantly, a landmark
3 enforcement operation was undertaken. Through
4 the efforts of joint inter-agency taskforce
5 under the explicit provision of the Prosecutor's
6 Office, International Investigative Service, the
7 Bulgarian authorities dismantled criminal groups
8 operating the three largest foreign platforms in
9 Bulgaria and the region.

10 These platforms provided unauthorized
11 access to copyrighted content, and generated
12 tens of millions of visits annually. Their
13 activity caused significant harm to right
14 holders.

15 The operation resulted in permanent
16 shutdown of the platforms, seizer of servers,
17 domains, and digital evidence, tracking of
18 illegal financial flows, and criminal
19 prosecution of the principle operators.

20 This was not a temporary disruption.
21 It was a permanent dismantling of major piracy
22 infrastructure. The operation demonstrates
23 Bulgaria's capability, resolve in commitment to
24 deliver a meaningful enforcement outcome.

25 Several partner U.S. Agencies, the

1 Department of Justice, Homeland Security
2 Investigations, and the Department of State, as
3 well as Europol contributed to the successful
4 operation. We are deeply grateful to them.
5 This partnership is essential and highly valued.

6 We have also strengthened our
7 institutional framework to ensure
8 sustainability. A specialized cybercrime sector
9 was established within the Sofia City
10 Prosecutor's Office and cooperates closely with
11 the cybercrime unit of the National
12 Investigative Service to ensure dedicated
13 expertise in long term enforcement capacity.

14 The Sofia City Prosecutor's Office
15 specialized prosecutors have been assigned to
16 intellectual property cases. This specialized
17 structure for combating organized crime within
18 the Ministry of Interior stepped up to digital
19 enforcement, shutting down three websites and
20 removing illegal online content.

21 Custom's authorities have intercepted
22 large quantities of counterfeit goods. The
23 Bulgarian Patent Office and the Prosecutor's
24 Office signed a memorandum of cooperation on the
25 development of best practices for legal

1 protection of industrial property, addressing
2 criminal infringement challenges, and an
3 enhancement of expert capacity.

4 Leaders with these improvements are
5 also advancing. Amendments have been prepared
6 to strengthen the enforcement including
7 effective tools to prevent access to infringing
8 websites.

9 Trademark protection is also being
10 modernized to address online violations. The
11 legal amendments are on second and final reading
12 in the Bulgarian Parliament.

13 The Intellectual Property Protection
14 Council established this consultative and
15 coordinating body to the Council of Ministers to
16 resume this activity. These reforms further
17 strengthen our enforcement system.

18 Equally important, Bulgaria has
19 invested in prevention and public awareness.
20 The Patent Office has been particularly active
21 in organizing events to upscale businesses,
22 consumers and authorities. Attention is also
23 given to making available sufficient legal
24 alternatives.

25 Distinguished members of the

1 subcommittee, the prevention and prosecution of
2 IP related crimes is a substantial -- is a
3 sustained national priority at the highest
4 institutional level. Bulgaria has delivered
5 concrete enforcement results, structural
6 reforms, and long term institutional capacity.

7 We remain fully committed to continued
8 cooperation with the United States, and to
9 maintain the highest standards of intellectual
10 property protection. We respectfully hope that
11 Bulgaria's progress will be recognized, and that
12 the country will be removed from the Special
13 Priority Watch list. Thank you for your
14 attention.

15 CHAIR LEE: Thank you very much. We'll
16 turn now to questions. And the first question
17 will come from our Department of Justice.

18 MR. MERRIAM: When I reached the
19 microphone. So, last year when we were here, we
20 pressed you about enforcement activities. This
21 year we want to congratulate you on a very
22 comprehensive action to take down those three
23 large platforms, five total sites, in a
24 coordinated international effort.

25 Particularly want to congratulate the

1 efforts that I've learned about from my DOJ
2 colleagues to disrupt the financial flows and to
3 make a long term effort to keep those sites
4 down. So, work well done.

5 You noted in your testimony that there
6 was a specialized unit in Sofia that will focus
7 on this type of crime. Are there specific plans
8 to take further actions, and can you describe
9 those for the panel?

10 MR. BARBALOV: Thank you for the
11 question. This specialized unit is from the
12 Prosecutor's office. And the prosecutor's are
13 working to establish a similar structure in
14 Varna, which is the second biggest city in
15 Bulgaria.

16 And together with the other enforcement
17 agencies, they're monitoring the -- how do you
18 say, the arrivals of similar sites. And now
19 when we have the pattern and the model how to
20 address this issue, they can very easily stop
21 them at an early stage.

22 Because what happened with these
23 particular three sites which we -- I will talk
24 about, was practically no strong reaction for a
25 very long period of time. Now the system is in

1 place. The people are in place. And the
2 statutes are in place to stop such activities at
3 an early stage before they become big and create
4 real problems to copyright holders.

5 MR. MERRIAM: Thank you.

6 CHAIR LEE: All right. The next
7 question is from the U.S. Copyright Office.

8 MS. LANZA: Good morning. On Page 5 of
9 your written submission you mentioned draft
10 legislative amendments that would, quote, go
11 special laws governing registration or
12 categorization regimes for commercial and tour
13 sites where protected works are typically used.
14 Can you please explain more about these regimes
15 and what the amendments would accomplish?

16 MR. BARBALOV: This is work which is
17 organized by Ministry of Culture. We're working
18 on amendments of the respective legislation.
19 And it's part of the work of the Council which I
20 mentioned in my testimony, which resumed its
21 activity.

22 We've formed the subcommittee which
23 will -- working to this legislation to make sure
24 that the legislation is strong and protects the
25 right. But this law is still not ready, so I

1 cannot go into further details.

2 Once ready though, we will be adopting
3 fast track because of what the other priority
4 changes which we are want to making, protecting
5 intellectual property in Bulgaria.

6 CHAIR LEE: Thank you. And one more
7 question comes from USTR.

8 MS. AVERY-PAGE: Thank you. Your
9 submission notes the establishment of a working
10 group tasked with the coordination of Bulgarian
11 institutions in addressing recommendations made
12 in the context of the Special 301 report and the
13 OED ascension review.

14 We understand that the first meeting of
15 this working group took place last week. Do you
16 have any additional feedback from that meeting
17 that you can share with us?

18 MR. BARBALOV: Thank you. This is the
19 working group which is a subgroup of a bigger
20 coordinating effort. The effort met in January.
21 The working group met last week. And they
22 discussed in more details the division of
23 responsibilities because there are different
24 agencies and different institutions involved,
25 and each one has to develop the issues which are

1 closely related to its priorities. So the
2 outcome was better coordination and active work.

3 CHAIR LEE: All right. Thank you for
4 your testimony.

5 All right. Next on the agenda is ACT,
6 The App Association. So, please step up and
7 introduce yourself. Please state your name and
8 organization for the record.

9 MR. SCARPELLI: Thank you. Brian
10 Scarpelli with ACT The App Association. Good to
11 see you all.

12 Ready? All right. Again, my name is
13 Brian Scarpelli. I'm Senior Global Policy
14 Counsel with ACT The App Association.

15 And on behalf of ACT, I'd like to thank
16 you all for this opportunity to share our views
17 with USTR on countries that deny adequate and
18 effective protection of IP rights or deny fair
19 market access to U.S. persons who rely on IP
20 protection.

21 Just a little bit about our org. We're
22 a policy trade association representing the
23 small business technology developer community.
24 Our members are entrepreneurs, innovators,
25 independent developers within the global