

**Leonardo Ferragamo at
2008 High Level Conference on Counterfeiting and Piracy-
Brussels – 13 May 2008**

Mr. McCreevy,
Mrs. McCarthy,
Mr. Lacoste,
Ladies and Gentlemen,

It is a privilege to be able to address such a distinguished panel with our views and proposals on the theme of counterfeiting which is so crucial for the world economy.

In particular, it is crucial for the industry I represent here today, as Chairman of Altagamma and Chairman – for the first two years since its foundation- of Intesa InterAssociativa.

Altagamma gathers companies which represent the excellence of Italian Style, produce goods and services of utmost quality, combining tradition and innovation, in various sectors such as fashion, design, fine food and beverages, jewellery, hospitality, car industry and sports apparel. Intesa InterAssociativa was founded in 2006, with the objectives of creating a much wider representation of companies with consistent visions and of coordinating the requests from all members in order to bring one only, strong, unified and well developed voice to the Institutions. Today Intesa InterAssociativa gathers 6 main associations that represent approximately 5000 companies.

The majority of the companies in the high segment of the market bases its success on a mix of creativity, innovation and style which makes them unique. The uniqueness of their products lies in their symbolic value: luxury goods allow the customer to access an emotional world created and developed by the companies through their continuous investments and through the major commitment to distribution and marketing activities. All these efforts are made to create and evolve the worldwide brand positioning and reputation.

Counterfeiting is an attack to the heart of the companies.

Here we propose two actions, one practical and of an immediate application, and another one structural and long lasting.

FIRST, we need to raise the consumer awareness. It is urgent to take action, once and forever: counterfeiting of luxury goods and brands is only the most visible part of a huge phenomenon which includes food and beverages, pharmaceutical industries and tobaccos.

There also such evident and clear risks to world's health and security.

While fighting the crime is essential and needs further evolution, we believe that the way out of this problem is the Consumer Education.

We believe that the consumer is substantially honest. He who buys counterfeited goods today does not realize that he is committing a real theft towards companies which see their investments damaged. He's not aware of the terrible mechanism he becomes part of: national

and international fraud, child labour, terrorism. He is instead convinced that, by buying counterfeits, he's making a great deal!

For this purpose, we believe it is necessary to launch a European **communication campaign** to raise awareness. The campaign will have the aim of informing all European citizens of what they might not know, of what hides behind the market of fakes, a campaign that will unveil the social and criminal aspects of counterfeiting.

This should go in parallel with sanctions that punish he who buys, of course, but only once he is correctly informed.

As a **SECOND** step, we propose the creation of an **Agency for Intellectual Property Rights**.

Europe must have a structured organization that can coordinate all activities and laws connected to this phenomenon. French and Italy already experimented this kind of specific organizations, focalized on the counterfeiting issue, and their work is very encouraging.

We are thinking of a specialized body involved in various activity areas

1. **INTELLIGENCE** and **RESEARCH** on counterfeiting, aimed not only at gathering data on counterfeiting but also and foremost, at monitoring its legal aspects in all member states.

2. The next step would be the implementation of **STUDY GROUPS** who would elaborate specific law proposals, present them to the relevant authorities of the various countries, accompanying them with strong arguments to have them ratified quickly.

The EU must harmonize present laws to contrast counterfeiting.

3. This Agency should foresee the implementation of **TRAINING PROGRAMMES**; for the legal body, for police, for customs, and all professional categories involved in trying to eradicate this criminal practice.

4. Finally, as already anticipated, a strong **CONSUMER EDUCATION**.

With a concrete synergy between institutions and companies we have to succeed in limiting the damage being done.

The survival of industry is at stake; we intend to safeguard it in every possible way and to fight and win this battle.

Thank you.