

High Level Conference on Anti-Counterfeiting and Piracy

What are the implications of counterfeiting and piracy for European competitiveness, innovation, economic growth and job losses?

Richard D. Heath
Brussels, May 13, 2008



International Trademark Association
Representing Trademark Owners Since 1878



INTERNATIONAL TRADEMARK ASSOCIATION

International Trademark Association

- Founded in 1878
- *Dedicated to the support and advancement of trademarks and related intellectual property as elements of fair and effective national and international commerce.*
- Currently representing over 5,500 trademark owners, service providers and academics (students and professors of IP law) from more than 190 countries



INTERNATIONAL TRADEMARK ASSOCIATION

Unilever - An Introduction

- 75th Anniversary in 2005
- Meeting the everyday needs of people everywhere
- Brands such as Magnum, Dove, Lipton and Lux are chosen by 150 million people every day
- Our largest markets are Europe and North America



Unilever - An Overview

A Selection of some of our Main Brands

• Foods

- CALVE, HELLMANNS, KNORR, BECEL/FLORA, LIPTON, SLIMFAST, MAGNUM, SOLERO, BEN & JERRYS



• Home & Personal Care

- AXE/LYNX, DOVE, LUX, POND'S, REXONA/SURE, SUNSILK, CLEAR, LIFEBOUY, VASELINE, FAIR & LOVELY, OMO, SIGNAL, CLOSE-UP



Counterfeiting – not a new phenomenon

- 1976: fake transistors on US Space Shuttle
- 1977: fake fire detectors on Boeing 737
- 1978: fake heart pump valves at US hospitals
- 1979: fake insecticide at Kenya coffee crop
- Today: online counterfeiting for real profit

The Cost of Counterfeiting

- some main economic indicators

- Decrease of investment in R&D
- Impact on employment
- Loss of consumer confidence
- Cost to business

Developing Public-Private Partnerships

– unresolved challenges

- Working with business to tackle the growing problem of counterfeits sold on the Internet
- Developing more accountability for the transport sector
- Tackling the problem of Free Trade Zones and Free Ports
- Providing assistance to SME's involved in combating counterfeiting
- Tackling demand - raising awareness without damaging brand confidence

Key EU Developments

- DG MARKT: new unit (D3) dedicated to the enforcement of IPR
- DG TAXUD: practical tools, e.g. statistics, Customs Notification Form,...
- DG TRADE's commitment to IPR on trade agreements
- President Barroso present at Global Anti-Counterfeiting Summit, Brussels, March 2008



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ACTA Joint Business Response Group

RECOMMENDATIONS

- Endorse the need for multilateral treaty as announced but must go beyond current levels laid down in TRIPS and deliver tangible results in at least the following areas:
 - Designation of Chief IP Enforcement Officer or Commissioner
 - Establish Minimum & Effective Standards for fines & damages
 - Disrupt the flow of counterfeit goods through Free Trade Zones & Free Ports
 - Expand Customs powers and controls for effective border measures
 - Develop minimum adjudication standards
 - Capacity building through reform of law enforcement agencies and the judiciary
 - Restrict the advertising and sale of counterfeits on the internet through effective (self-)regulation
 - Treat counterfeiting as a trans-national organised crime & provide for extradition of offenders from safe-havens
 - Facilitation of education & awareness raising campaigns for Governments, consumers and the entire supply chain alike.

Acting at EU level

- Stronger customs regimes
- Efficient and quick access to remedies
- Harmonisation of criminal sanctions

Making counterfeiting a less lucrative and attractive business

Conclusions:

Turning commitments into actions

- **For Consumers** - Raise awareness without damaging brand confidence
- **For Politicians** - Maintain awareness and lobby for a stronger, more punitive and binding framework
- **For Business** - Invest in supply chain security and engage in education, training and capacity building through Public Private Partnerships
- **For Customs** – Develop new standards to exercise more control over Free Trade Zones and better understand and respond to the on-line trading threat.

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Thank you



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