



Merry Christmas to all of you!

Counterfeits and Safety

In the past months we have been witnessing the growing threat which counterfeit products pose to the health and safety of consumers.

We all know that counterfeit goods most often do not meet safety standards and this is particularly true for certain categories such as toys, medicines, mobile phone components and accessories, spare parts and cosmetics.

However, it is not always obvious for the consumer to understand he is buying non original products as counterfeits can now count on a widespread network of manufacturers and distributors and recent raids have uncovered retailers selling official products together with counterfeit ones.

The potential damage for a company does not only concern a loss in sales but most

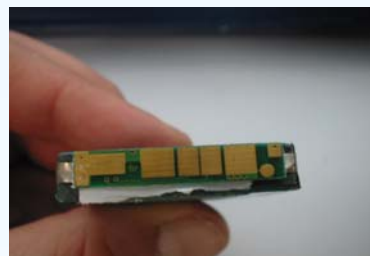
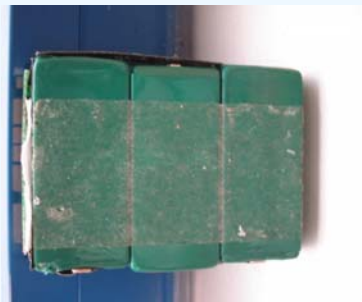
importantly in its reputation as the consumer who buys a fake product believing it to be genuine will blame the brand manufacturer when it fails.

One of our associates who has been particularly involved in this issue and has suffered mostly from the distribution of dangerous counterfeits is the Finnish company Nokia.

Many episodes of fake batteries exploding in the hands of the consumers have been reported lately, mostly in the United Kingdom and The Netherlands, often causing injuries. Nokia has been taking serious measures trying to put a stop to this phenomenon and warning consumers against buying batteries outside the official channels.

Ten thousand counterfeit batteries have already been seized in recent operations in The

Netherlands and the UK and a large scale operation conducted in Italy uncovered an international distribution channel with links to manufacturers in China, resulting in a seizure of over 25.000 pieces.



Fake batteries seized in Italy

New Measures Against Counterfeiting in Italy

According to the general reform of the Italian Industrial Property Law, some new measures, directed at increasing the fight against counterfeiting, have been included in the new Financial Act for 2004 which Parliament has recently voted.

The most important measure is the creation of a "Comitato Nazionale Anticontraffazione" (National Anti-Counterfeiting Committee). This organisation will control the cases in the matter of infringement of intellectual and industrial property rights. The purpose should be obtained, on the one hand, coordinating and studying special measures to oppose counterfeiting and, on the other hand, assisting companies against the risks of counterfeiting and unfair competition acts.

In light of the above, it is clear that the purposes of React and the future National Anti Counterfeiting Committee are so close that, if possible, we will cooperate together.

In fact we consider extremely important to be part of a national organisation like this, whose aim is to coordinate the activities of all of those involved in the fight against counterfeiting.

Another innovative measure inserted in the new Financial Act is the creation of special offices to provide companies with legal advice on the registration of patents and trademarks and, in general, on the protection against counterfeiting and unfair competition acts.

The reform of the Italian law also provides for the creation of

twelve courts of justice specialized in industrial and intellectual property rights. The special courts will be competent in the matter of international, communitarian and Italian trademarks and patents, models and designs, copyrights and unfair competition acts.

In this issue

- Counterfeits and Safety
- New measures in Italy
- Enforcement in Serbia
- Training Programmes
- New services Portugal
- Fake toys seized in the Netherlands
- WcoIPR meetings reports – calendar of events



Serbia is improving its enforcement efforts rapidly

From January 1 onwards, new border measures can be applied in Serbia. A new set of rules, which are in line with TRIPS, the EU regulation and the WCO model law have been adopted. Serbia has introduced some elements into its law which are meeting the needs of rights owners, like a fast track procedure for urgent matters. This means that if companies have specific information on consignments of fake goods coming in or passing the country, the customs will decide within three days on the notification.

The new rules and the interest shown by the enforcement bodies for this phenomenon has to be encouraged by rights owners. On 25 and 26 of February, technical assistance will be provided by the WCO IPR group to the customs officers. SNB-REACT will for sure facilitate the operational activities. For further questions about the border measures, the technical assistance exercise or otherwise, you can contact Ronald Brohm (rbrohm@snbreact.nl).

Focus on Portugal

As of January 1, 2004, SNB-REACT will enhance its services in Portugal with a local free lance agent. Mr. Paulo Pereira will be monitoring the Portuguese territory on the lookout for counterfeits for REACT associates.

Next to the investigative activities we will receive support from a specialized lawyer, who will provide legal follow up of cases at convenient fares.

The Italian office will keep on coordinating the operations in Portugal liaising with this newly established team as well as managing the customs related services.

Training seminars in Spain - REACT and ICCE



From December 9 to December 12, four seminars took place at the customs offices of major Spanish ports and airports. By initiative of ICCE member Epson and in co-operation with the REACT South Europe office, officers from Madrid, Algeciras, Barcelona and Valencia, benefited of a specialized training on the detection of counterfeits of consumable products.

In view of its project to extend coverage to Mediterranean and Southern European countries, REACT welcomed the initiative and acted as link between the Spanish customs and the consumable producers involved. Epson, Hewlett Packard, Canon and Lexmark participated enthusiastically in the training sessions.

Great interest was demonstrated by the Spanish officers, who were provided with useful material and expertise enabling them to prevent the introduction of illegal products in their territory.

REACT will strengthen its efforts to repeat such initiatives on the Spanish soil, also for other associates, treasuring the newly established contacts.

Furthermore REACT and ICCE are studying the possibility to organize other three seminars in January 2004, interesting Bilbao and the Canary Islands cities of Las Palmas and Tenerife.



REACT Training Seminars Calendar of Events

- 19 January – Bari, Italy
- Spring 2004 – Budapest
- Spring 2004 – Bucarest
- May/June 2004 – Olympic Games project



Madrid session

The newsletter editing team:

[Paolo Balistrieri](#)

[Giulia Laviani](#)

[Matteo Martorana](#)



Raids with Dutch suppliers of fun fairs

On 29th October the Dutch crime squad FIOD ECD raided three warehouses managed by suppliers of fun fair items.

The sales of counterfeited products offered at fun fairs is a serious problem which is difficult to tackle. Since last year, SNB-REACT, FIOD-ECD and customs have been chasing the suppliers of fun fairs. Meanwhile, significant numbers

of counterfeited products have been seized.

The raids on 29th resulted in the seizure of 6 trucks fully loaded with toys, plush articles, key rings etc. The distributors will be prosecuted and civil proceedings will be initiated.

SNB-REACT's efforts to clean the market of fun fairs will continue.

All relevant customs agents will be informed of which properties to watch out for, also thanks to

the creation of a Cd Rom illustrating the main counterfeit characters which can be found in these entertainment parks. In this way, we hope to achieve an improved situation on the fun fairs in the 2004 season. The great efforts of the Dutch FIOD - ECD in this respect are vital and very much appreciated.

News of the raids was given on Dutch television.

Seizure of Yu-gi-oh! cards in the Netherlands



Yu-gi-oh! Playing cards

were made by Dutch customs authorities.

So far three major shipments of fake YU-GI-OH! cards have been stopped at Amsterdam Schiphol airport, amounting to a total number of 952.937 cards and 1.000 folders.



This season's latest rage, both with schoolchildren and counterfeiters alike, are the well-known YU-GI-OH! playing cards, as is illustrated by several substantial seizures that

Seminars in Italy

React Italy started its first series of training seminars, organized together with Italian Customs and FAPAV (association against video and audio piracy), BSA and FPM (IFPI Italian section).

In October, November and December three seminars were held respectively in Milan, Trieste and Naples. Three member companies were invited to attend each seminar. Each seminar provided for the participation of customs officers coming from three different Italian regions.

The first sessions were very successful and we noted a lot of interest and participation from Customs. All participants were

provided with passwords to access our web site and CD roms with specific brand information and presentations.



Seminar in Trieste

Fake Mini toy cars



Another popular item under this year's Christmas-tree, will be the Mini Cooper toy car.

However, SNB-REACT has been at it's most vigilant to make sure Santa won't bring unlicensed cars around. Counterfeit Mini Cooper toy cars have been found in several stores in the Netherlands, such as in Total/FINA and BP gas-stations and some stores of major Dutch retail-chains.

SNB-REACT has put a swift end to this on behalf of the rightholder and is in the process of negotiating a compensation for damages.

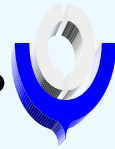
SNB-REACT offices:

In The Netherlands
Amstelveenseweg 864
1081JM Amsterdam
Tel: +31(0)20 640 6363
Fax: +31(0)20 640 6216

In Italy:

Via Ponte Vetro 15
20121 Milano
Tel: +39 02 80509450
Fax: +39 02 86467940





WCO IPR in Penang, Malaysia

From 15-17 December, the WCO IPR group provided a technical assistance exercise for Malaysian enforcement officers. The seminar was well visited with 90 enforcement officers (from customs, Ministry of Trade and police) and 23 rights owners. The seminar brought everything which was needed. The highly successful enforcement officers of the Ministry of Trade could increase their identification skills and the customs officers were motivated to kick off their enforcement efforts at the borders.

This project was also the start of the A/P initiative of the WCO IPR group. In a separate business meeting the group decided to take up the following activities

of which some of them are entirely new.

- A regional enforcement project: the WCO will be proposed to launch an operational customs monitoring project in 5/6 countries. During a period of several months, customs would focus on IP issues based on risks profiles provided by WCO-IPR member companies

- Technical assistance program; initially, country reports outlining the procedural and factual problems faced by member companies and local customs

- Joint business – customs meetings in the Asia-Pacific region

- To grant an award to a specific customs port for the highest achievement

Malta – November 2003



It is with great enthusiasm that the Maltese customs and police authorities welcomed the WCO IPR initiative to organize a training session in the Mediterranean island of Malta.

As many as 75 custom officers and about 25 police officers followed the technical presentations of 11 companies, during a two days programme (November 5 and 6). Malta will soon join the European Union (May 2004), customs regulation as well as local legislation will be uniformed with the EU ones, the WCO seminar has been an important occasion to discuss these future developments. REACT praises the Maltese customs for their interest and commitment :



Big participation in Malta!

soon after the seminar, we received several notifications on suspect consignments, either in transit or directed to the Maltese market. Despite the small size of the island, Malta, has to be considered as an important cross-point for anti-counterfeit enforcement.

Brazil – October 2003



In the beautiful scenario of the Intercontinental Hotel at Copacabana Beach, in Rio the Janeiro, WCO member companies had the possibility to give a two days technical training to customs in force in the main Brazilian ports. Brazil is one of the biggest markets in Southern and Central American region, the successful training session, will certainly be useful as a case study for future IP enforcement strategies, carried out by the WCO IPR group in the area.

CONTACTS:

WCOIPR secretary

Ingrid van der Hoek
Amstelveenseweg 864
1081 JM Amsterdam
The Netherlands
Tel: 31 20 640 6363
Fax: 31 20 640 6216
wco@snbreact.nl

Headquarters

WCO
30, Rue du Marché
1210 Bruxelles
Belgium
Tel: 32.2.209.92.11
Fax: 32.2.209.92.92
information@wcoommd.org

WCO Training Seminars

Calendar of Events

| | | |
|----------------------------|---------------------------------|---|
| 24-25 February 2004 | Serbia and Montenegro, Belgrade | Epson, IFPI, BIC, P&G, Microsoft, Philip Morris and Imperial Tobacco. |
| June-July 2004 | Russia | Provisional |
| Postponed till end of 2004 | Panama and Costa Rica | |

Please enquire with the WCOIPR secretariat for participation in these events.

