



The Anti-Counterfeiting Group  
Campaigning Against the Trade in Fakes



# PRESS RELEASE

## Industry welcomes new EU-US joint strategy to fight soaring global trade in counterfeit and pirate goods

**Vienna, 20 June 2006** - European and US industries welcomed a new joint EU and US strategy launched by US Commerce Secretary Carlos Gutierrez, EU Trade Commissioner Peter Mandelson and EU Industry Commissioner Gunter Verheugen in Vienna today, aimed at fighting the soaring global trade in counterfeit and pirate goods. Tomorrow the US President George W. Bush and Commission President José Manuel Barroso will endorse the strategy at the EU-US Summit in Vienna. The Industries from many sectors stressed the enormity of the counterfeiting and piracy problem, estimated to be worth 360 billion euros a year. This illegal activity is endangering consumer safety, eroding the competitiveness of business and undermining the livelihood of everyone working in innovative and creative industries.

Today's announcement of a joint EU-US strategy and task force to combat counterfeiting and piracy is an urgently needed sign of political determination to tackle this drain on the global economy. The "EU-US Action Strategy for the Enforcement of Intellectual Property Rights" will provide a structure in which the two administrations can identify and act on specific common projects with the support and involvement of industry. Global business particularly welcomes the joint action plan's focus on priority countries – China and Russia. Industry is committed to contribute to the success of this joint enforcement plan by providing expertise as well as sharing information and best practice.

EU and US markets are flooded by counterfeit and pirate goods from third countries. Virtually every industry is affected by this illegal trade which seriously undermines the competitiveness of innovative and creative industries. Sectors affected include textiles, food, drink, pharmaceuticals and car manufacturing as well as music, film, television and software.

Efficient and effective intellectual property enforcement is crucial for both developed and developing countries. The economies of many developing countries depend on inward investment for the manufacture of products based on intellectual property. This much-needed investment is seriously threatened by counterfeiting and piracy.

Industries on both sides of the Atlantic have long called for closer cooperation between Brussels and Washington on this critical issue for global business and now look to both administrations to deliver concrete results.

Specifically, industry calls upon government to:

- Identify and act on clearly defined common programmes to tackle counterfeiting and piracy in China and Russia leading to measurable achievements and results by 2007. Industry should be consulted throughout the process.
- Promote new transatlantic forms of public-private partnerships to tackle piracy and counterfeiting, involving all enforcement agencies and all industry players, including retailers.
- Raise public awareness of the health and safety risks posed by counterfeited and pirate products which also undermine consumer confidence in branded products.
- Strengthen legislation enabling the efficient enforcement on intellectual property rights.

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**ACG - Anti-Counterfeiting Group, UK**

**AIM - European Brands Association**

**APM - Anti-Counterfeiting Group, Germany**

**BSA - Business Software Alliance**

**Colipa - European Cosmetic, Toiletry and Perfumery Association**

**EFPIA - European Federation of Pharmaceutical Industries and Associations**

**GBLACC – Global Business Leaders Alliance Against Counterfeiting**

**GMA - Grocery Manufacturers Association, US**

**IACC - International AntiCounterfeiting Coalition, US**

**ICC / BASCAP - International Chamber of Commerce / Business Action to Stop Counterfeiting and Piracy**

**IFPI - Representing the Recording Industry Worldwide**

**IFSP - International Federation of Spirits Producers**

**IMPA - International Music Publishers Association**

**ISFE - Interactive Software Federation of Europe**

**IVF - International Video Federation**

**MARQUES - Association of European Trade Mark Owners**

**MPAA - Motion Pictures Association of America**

**RIAA - Recording Industry Association of America**

**TABD - TransAtlantic Business Dialogue**

**UNICE - Confederation of European Business**

**US Chamber of Commerce**

## **European and US Industry Comments on the EU-US Action Strategy for the Enforcement of Intellectual Property Rights**

**Andrew Morgan, President of AIM – European Brands Association,** said: “With counterfeiting increasingly endangering safety, competition and jobs I strongly welcome this joint EU-US Strategy - it is timely and it is needed. Industry is committed to contribute to its success and we look forward to a steady stream of initiatives”.

**Graeme Woodcock, the Chairman AIM Anti-Counterfeiting Committee and Vice Chairman International Federation of Spirits Producers,** said: “The announcement of the EU-US joint strategy is a very welcome addition to the global fight against counterfeiting and piracy. It is to be hoped that this ground breaking initiative attracts the widest international political cooperation and accelerates a meaningful reduction in the alarming growth of world wide trade in shoddy and very often dangerous counterfeit products”.

**Robert Holleyman, President & CEO, Business Software Alliance:** "Today's announcement of a joint EU-US strategy on counterfeiting and piracy is a very positive development as piracy continues to be a global challenge hampering economic growth. Greater cooperation between government and industry in protecting intellectual property, through meaningful enforcement procedures and support for technologies like Digital Rights Management systems that enable the safe and legal distribution of online content, will allow the technology sector to continue to innovate and create opportunities for economic development."

**Bertil Heerink, Director-General of Colipa – The European Cosmetic, Toiletry and Perfumery Association,** said: “The European Cosmetics Industry has a long standing tradition of sound and safe production methods and continuously develops initiatives that underline the Cosmetic Industry’s willingness to act as a responsible industry. Commitment to innovation and consumer confidence is essential to allow the European Cosmetics Industry to maintain its global competitiveness. Counterfeiting can pose a threat to product safety and consumer confidence and does pose a threat to competitiveness. Colipa therefore strongly welcomes the joint EU-US strategy to increase the effective fight against counterfeiting and will continue to play an active role in fighting counterfeiting”.

**Nils Victor Montan, President IACC, International AntiCounterfeiting Coalition,** said: “IACC enthusiastically welcomes the announcement of the new joint strategy to combat counterfeiting and piracy between the United States, and the European Union. The IACC particularly welcomes the focus on the serious economic, health and safety risks posed by the sale of counterfeited and pirated products. The IACC and its members pledge to join this important initiative on all levels and to lend its technical expertise in the public-private partnership on many fronts.”

**John Kennedy, Chairman & CEO, IFPI – Representing the Recording Industry Worldwide,** said: “Piracy is having a devastating effect on the music industry, particularly in China and Russia. Furthermore, the rapidly-growing problem of online piracy is threatening to stifle the emergence of a thriving, legitimate digital music business in these countries. Tackling online piracy NOW is an essential step towards unlocking the extraordinary growth potential of China and Russia as music markets. I hope that the Chinese and Russian governments will work closely with the EU and US administrations to

deliver a real, measurable reduction in the levels of piracy in these priority countries in the immediate future.”

**Tove Graulund, chairman of MARQUES - Association of European Trade Mark Owners**, said: “Counterfeiting has always been a problem to industry but has increased dramatically within the last five years. Therefore, MARQUES notes with great satisfaction that the European Union and the United States have agreed to tackle this issue by way of the new Action Strategy. Any consumer should be aware of the dangers of counterfeiting. The fact that the strategy was agreed on summit level is of extraordinary value for achieving this objective”.

**Ernest-Antoine Seillière, President of UNICE, the Confederation of European Business**, said: “This agreement shows the political commitment from both sides of the Atlantic to fight together against counterfeiting and piracy. It proposes joint actions and practical measures to tackle this alarmingly growing problem. UNICE fully supports this joint initiative and is committed to work closely with both administrations and actively contribute to its success”.