

CONTRAFAKE 2009
Catch me if you can...

COUNTERFEIT ELECTRICAL
PRODUCTS *KILL*

Kevin Harris
Chairman, BEAMA Anti-Counterfeiting
Working Group

The British Electro-technical and Allied Manufacturers Association

**The Trade Association for
the British Electro-technical
Industry**

- **BEAMA was formed in 1905**
- **Consists of 14 product sectors.**
- **Represents 300 UK and other European companies. 80% are SME's.**
- **Involvement with IEC Standards and EU Directives.**
- **Active Anti-Counterfeiting Working Group since 2000.**

**WE ARE A TRADE ASSOCIATION THAT UNITES
AND PROTECTS OUR MEMBERS INTERESTS**

Counterfeit Electrical Products.

- Fuses – no fuse elements, no protection
- Circuit Breakers – overload elements omitted, no protection.
- Lighting – Reduced Life. Fire Risks.
- Cable – fewer and smaller strands. Fire Risks.
- Materials – Poor Quality. Recycled from Scrap.
- Trademark, Patent and Copyright Infringements.
- Misuse of Certification and Conformity marks (CE)

Counterfeit Market Shares – Electrical

Counterfeits share of Electrical Installation
Products :

- Africa 25-75%
- Middle East 20-40%
- Eastern Europe 10-40%
- Western Europe and UK? Growing share!

ANY ELECTRICAL PRODUCT CAN BE COPIED

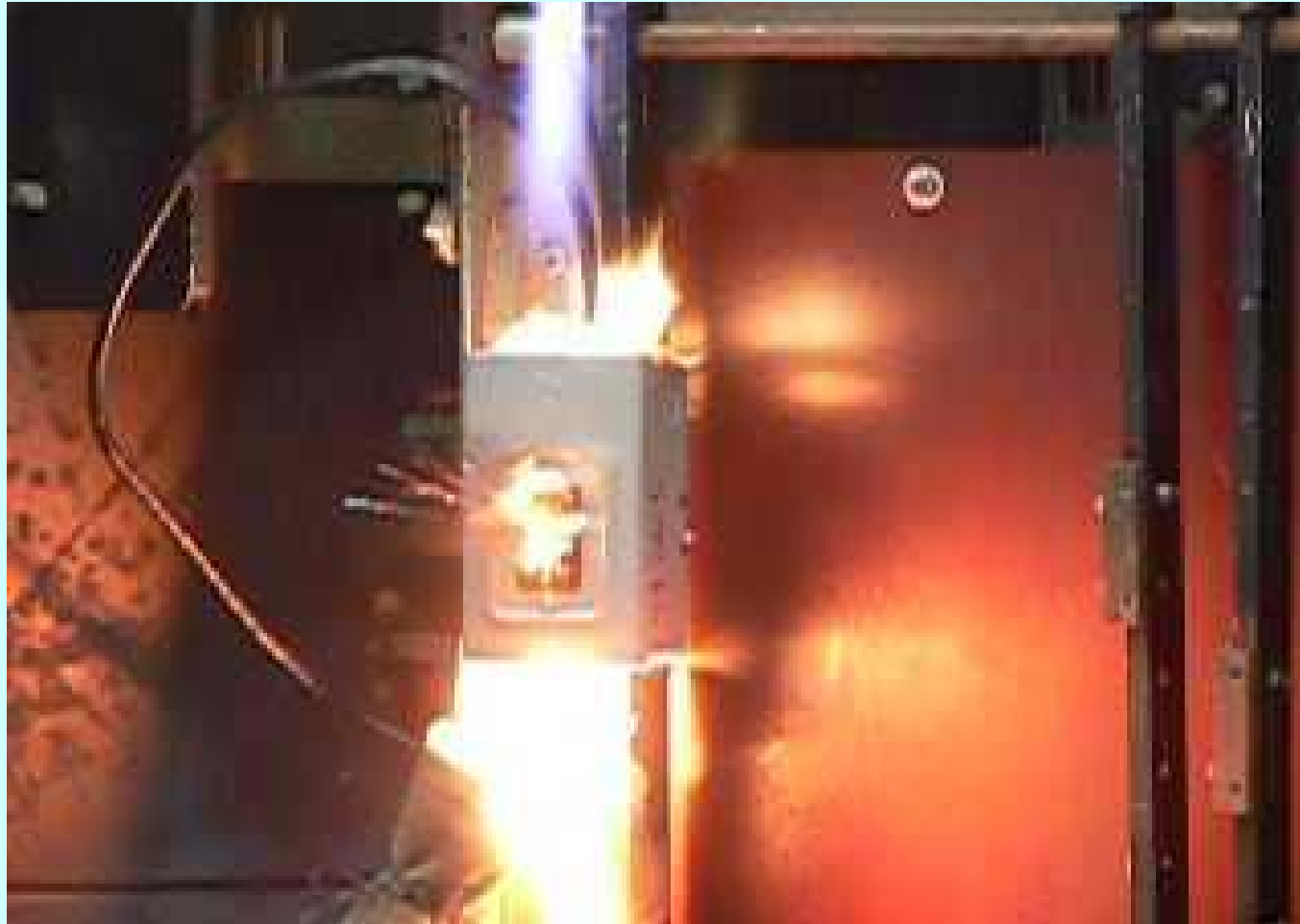


CIRCUIT BREAKERS, FUSES, LIGHTING and CABLE

EVEN CERTIFICATION MARKS CAN BE COPIED



















Testing of a Counterfeit Circuit Breaker



FINDING AND COMBATING COUNTERFEITERS

- **WORKING TOGETHER AS A GROUP and TAKING JOINT ACTION.**
- **AWARENESS and EDUCATION CAMPAIGNS.**
- **NETWORKING INFORMATION.**
- **TARGET SOURCE and MARKET COUNTRIES.**
- **WORKING WITH THE LOCAL AUTHORITIES.**
- **LOBBYING GOVERNMENT and ENFORCEMENT BODIES.**

BEAMA Anti-Counterfeiting Working Group – Members

WORKING TOGETHER and TAKING JOINT ACTION

- **Mutual Problems.**
- **Co-ordination through the Trade Association.**
- **Counterfeiters deal in Multiple brands.**
- **Use Investigators common to all the brands.**
- **Share Information.**
- **Share Costs.**

FINDING AND COMBATING COUNTERFEITERS

- **WORKING TOGETHER AS A GROUP and TAKING JOINT ACTION.**
- **AWARENESS and EDUCATION CAMPAIGNS.**
- **NETWORKING INFORMATION.**
- **TARGET SOURCE and MARKET COUNTRIES.**
- **WORKING WITH THE LOCAL AUTHORITIES.**
- **LOBBYING GOVERNMENT and ENFORCEMENT BODIES.**

BEAMA Anti-Counterfeiting Working Group

Raising Awareness



“Counterfeit Kills – Protect Yourself”

“Counterfeit Kills” available
on DVD and CD.

English, French and Arabic
versions available.



The Electrical Installation Industry Charter

To fight together against the 'trade' in counterfeit electrical products and the proliferation of products not complying with standards.

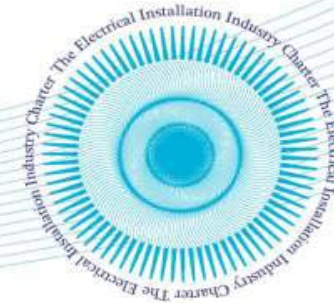
Counterfeit electrical products are a threat – they can kill. It is in everyone's best interest to fight against this insidious and fraudulent global industry.

- The 'trade' in counterfeit electrical products is a worldwide problem which leads to loss of:
 - Life
 - Revenue at all levels of the economic chain
 - Reputation of bona fide brands
 - Confidence in legitimate brands and businesses
 - Jobs and skill-base within businesses affected by counterfeiters.
- Counterfeit electrical products carry no guarantee of quality or safety for users because of the poor quality of materials used and lack of rigorous production controls – they often turn out to be dangerous, causing electrocution and fires.
- Manufacture, transport, acquisition, sale and installation of counterfeit electrical products are often carried out by criminal organisations.
- An accident caused by a counterfeit electrical product will tarnish the image of the bona fide manufacturer/distributor/installer. To avoid litigation, the reputable manufacturer is often forced to prove that the product in question was counterfeit.

The distribution of electrical products not complying with standards represents a very real danger to goods, property and people's safety.

- Products not conforming to European standards are more likely not to work, be dangerous and fail safety/health/environmental standards.
- The manufacture, sale and installation of dangerous and potentially dangerous electrical products are contrary to the Consumer Protection Act, as is the misuse of marks including the CE Marking.
- By not respecting a shared system of reference to standards, the presence in the marketplace of electrical products not meeting the required standards damages trade relationships and businesses.
- Because of their non-adherence to accepted safety and environmental norms, the distribution of electrical products not conforming to standards is a breach of trust at all levels within the supply chain including the end user.

For these reasons we all must take practical, effective, actions to counter the threat from counterfeit and non-compliant electrical products, and control the spread of those products not conforming to recognised standards in the marketplace. This Charter confirms the will and intention of all signatories to encourage the development of initiatives and actions in the battle against the 'trade' in counterfeit and non-compliant electrical products. Also to develop a surveillance and intelligence-led anti-counterfeiting network combating the distribution and installation of such products.



Signed by BEAMA, BASEC, EDA , LIF, BCA, SELECT, ESC and ECA



FINDING AND COMBATING COUNTERFEITERS

- **WORKING TOGETHER AS A GROUP and TAKING JOINT ACTION.**
- **AWARENESS and EDUCATION CAMPAIGNS.**
- **NETWORKING INFORMATION.**
- **TARGET SOURCE and MARKET COUNTRIES.**
- **WORKING WITH THE LOCAL AUTHORITIES.**
- **LOBBYING GOVERNMENT and ENFORCEMENT BODIES.**

NETWORKING INFORMATION

- **Database of Proven Cases.**
- **Database of Suspected Counterfeiters.**
- **Customs Authorities, Interpol.**
- **NEMA and UL of USA, CSA of Canada.**
- **Inspection Companies.**

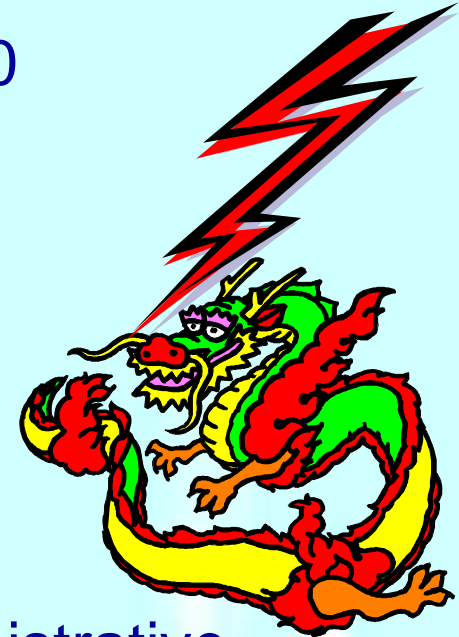
SHARE INFORMATION

FINDING AND COMBATING COUNTERFEITERS

- **WORKING TOGETHER AS A GROUP and TAKING JOINT ACTION.**
- **AWARENESS and EDUCATION CAMPAIGNS.**
- **NETWORKING INFORMATION.**
- **TARGET SOURCE and MARKET COUNTRIES.**
- **WORKING WITH THE LOCAL AUTHORITIES.**
- **LOBBYING GOVERNMENT and ENFORCEMENT BODIES.**

Electric Dragon – 2009

- Permanent operation in China since 2000
- Chinese investigators exclusive to us
- Good co-operation from local authorities
- Visits to Canton Trade Fair twice per year to raid stands and gain intelligence
- Over 300 factories raided – mainly administrative
- 10 Million products seized plus packaging & tooling
- 16 brands now represented and growing



Arriving at an illegal factory in China



Production continues during a raid



Components ready for assembly



Moulding Area – Claimed to have ISO 9001!



A hairdryer for temperature calibration!



Fakes being taken to the warehouse



BEAMA Warehouse – Wenzhou



DESTRUCTION – Wenzhou



DESTRUCTION – Wenzhou





BEAMA Anti-Counterfeiting Working Group

Projects

- Electric Dragon – China
- Electric Lion – Kenya, Tanzania
- Electric Cheetah – Nigeria, Ghana
- Electric Falcon – Kuwait
- Electric Ibex – Jordan
- Electric Panda – Dubai, UAE
- Electric Oryx – N.E. Africa
- Electric Bulldog – UK



FINDING AND COMBATING COUNTERFEITERS

- **WORKING TOGETHER AS A GROUP and TAKING JOINT ACTION.**
- **AWARENESS and EDUCATION CAMPAIGNS.**
- **NETWORKING INFORMATION.**
- **TARGET SOURCE and MARKET COUNTRIES.**
- **WORKING WITH THE LOCAL AUTHORITIES.**
- **LOBBYING GOVERNMENT and ENFORCEMENT BODIES.**

WORKING WITH LOCAL AUTHORITIES

- **Trading Standards.**
- **Health & Safety Executive.**
- **Customs Watch Programmes.**
- **Quality and Inspection Companies.**
- **TSB, AIC in China.**
- **Local Authorities in Market countries.**

FINDING AND COMBATING COUNTERFEITERS

- **WORKING TOGETHER AS A GROUP and TAKING JOINT ACTION.**
- **AWARENESS and EDUCATION CAMPAIGNS.**
- **NETWORKING INFORMATION.**
- **TARGET SOURCE and MARKET COUNTRIES.**
- **WORKING WITH THE LOCAL AUTHORITIES.**
- **LOBBYING GOVERNMENT and ENFORCEMENT BODIES.**

LOBBYING GOVERNMENT and ENFORCEMENT BODIES

- Lobbying UK and EU Parliaments through BEAMA and other Trade associations.
- U.S. Government being lobbied by their Electrical Industry.
- BEAMA lobbying African and Middle East Authorities responsible for revision of their I.P. Laws.
- BEAMA meetings with appropriate authorities in China.
- Focus on Health and Safety issues involved with counterfeit electrical items.

THE FUTURE ?

THE FUTURE

- Co ordinated approach from all of the involved DGs.
- We are very good at arranging conferences and we are very good at saying all the right words.
- But where is the action to help enforcement on the ground and put these criminals out of business and behind bars ?
- Where is the effective protection for companies like ours ?

THE FUTURE

When will the penalties
act as an effective
DETERRENT ?

THE FUTURE

When will there be real
evidence of a
POLITICAL WILL
to tackle this issue ?

THE FUTURE

When will **CORRUPTION** and
LACK OF ENFORCEMENT
be tackled, particularly in the
developing world ?

THE FUTURE

When will the lack of respect
of I.P. Laws be tackled in
CHINA ?

THE FUTURE

What are the
W.T.O. and W.C.O.
doing about all these issues ?

THE FUTURE

We want competition on a
level playing field.

We can't compete against
counterfeits.

THE FUTURE

Our Export Markets are dying
and our Home markets are
under pressure.

This illegal trade is costing
JOBBS and REVENUE.

THE FUTURE

When will the talking

STOP ?

THE FUTURE

and when will the
ACTION begin ?

VICTIMLESS CRIME ?

