



# Arizona Crime Prevention Association

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## About Counterfeiting

*Article submitted by Kim Kelly, Gilbert PD*

### Get Real.

At first, it looks like a sleek Apple store. Sales assistants in blue T-shirts with the company's logo chat to customers. Signs advertising the iPad 2 hang from the white walls. Outside, the famous logo sits next to the words "Apple Store." And that's the clue it's fake. China, long known for producing counterfeit consumer gadgets, software and brand name clothing, has reached a new piracy milestone -- fake Apple stores.

### Counterfeiting is big business.

It is estimated that counterfeiting is a \$600 billion a year problem. In fact, it is a problem that has grown over 10,000 percent in the past two decades, in part fueled by CONSUMER DEMAND.

The real truth is people who purchase counterfeit merchandise risk funding nefarious activities, contributing to unemployment, creating budget deficits and compromising the future of this country in the global economy.

The real truth is counterfeiters are hardened criminals, exploiting consumers, businesses both large and small, inventors and artists and children laboring in sweatshops in Third World countries.

You should know the truth about counterfeiting.

### The Facts:

- Counterfeiting costs U.S. businesses \$200 billion to \$250 billion annually.
- Counterfeit merchandise is directly responsible for the loss of more than 750,000 American

jobs.

- Since 1982, the global trade in illegitimate goods has increased from \$5.5 billion to approximately \$600 billion annually.
- Approximately 5% to 7% of the world trade is in counterfeit goods.
- U.S. companies suffer \$9 billion in trade losses due to international copyright piracy.
- Counterfeiting poses a threat to global health and safety.

### Consider the DANGEROUS FAKES:

The Federal Aviation Administration estimates that 2% of the 26 million airline parts installed each year are counterfeit, which equals approximately 520,000 parts.

In 2003, the Motor and Equipment Manufacturers Association cited safety violations due to counterfeit auto parts: brake linings made of compressed grass, sawdust or cardboard; transmission fluid made of cheap oil that is dyed; and oil filters that use rags for the filter element

### Five Reasons You Should Never Fake It:

- Counterfeiting is illegal and purchasing counterfeit products supports illegal activity.
- Counterfeiters do not pay taxes, meaning less money for your city's schools, hospitals, parks and other social programs.
- Counterfeiters do not pay their employees fair wages or benefits, have poor working conditions, and often use forced child labor.
- The profits from counterfeiting have been linked to funding organized crime, drug trafficking and terrorist activity.
- When you purchase a fake, you become part of the cycle of counterfeiting and your money directly supports things you would never want to support.

### **Can you spot a fake?**

Sometimes it's harder than you think to tell whether or not a product is fake - especially if you simply are viewing it online to purchase over the Internet. Go to the URL below to view fakes and learn the facts in the Counterfeit Gallery.

<http://www.iacc.org/about-counterfeiting/counterfeit-gallery/index.php>

*To learn more about Intellectual Property Crimes, you are encouraged to attend the upcoming FREE Anti-Counterfeiting Training at the Radisson Woodlands Hotel in Flagstaff on Tuesday, September 20, 2011.*