



International Chamber of Commerce

An ICC initiative

BASCAP

Business Action to Stop
Counterfeiting and Piracy

All about BASCAP

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International Chamber of Commerce

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The challenge

...Counterfeiting and piracy are spiraling out of control. Hundreds of thousands of counterfeiters and pirates are producing hundreds of millions of fake products, robbing our economies of hundreds of billions in revenues and income...

The drain on businesses and on the global economy is now significant. It has resulted in the widespread loss of lawful employment and a massive reduction of tax revenues. The creative community is robbed of reward for effort and innovation. The incentive to invest is reduced. Consumers are increasingly being harmed by unsafe counterfeit products. All signals also point to linkages with organized crime.

No business, sector or country can fight this battle alone. The International Chamber of Commerce launched BASCAP - *Business Action to Stop Counterfeiting and Piracy* - to connect business sectors and cut across national borders in the fight against counterfeiting and piracy. This global approach is designed to support individual company and organizational efforts and amplify business messages with national governments and intergovernmental organizations.

BASCAP is about the global business community getting organized...tapping the our resources, our technologies, our ingenuity and our standing in the global community.

Mission Statement

BASCAP unites the global business community to more effectively identify and address intellectual property rights issues and petition for greater commitments by local, national and international officials in the enforcement and protection of IPR.

The work of BASCAP aims to:

- Increase both awareness and understanding of counterfeiting and piracy activities and the associated economic and social harm
- Compel government action and the allocation of resources towards improved IPR enforcement
- Create a culture change to ensure intellectual property is respected and protected

BASCAP speaks out on the damage caused by counterfeiting and piracy, including:

- Harm to the economy, loss of employment prospects
- Danger to consumer health and safety
- Loss of innovation and poor quality products
- Financial links to organized crime
- Erosion of technology transfer

Overview

- The BASCAP initiative was launched in early 2005 in response to ICC member company concerns over the rapidly increasing problem of counterfeiting and piracy. The initiative has grown to include over 150 companies and trade associations that have championed the initiative through various degrees of participation, contributions of expertise and/or financial support.
- The Global Leadership Group (GLG), created in October 2005, currently comprises 27 corporate officials to build awareness and strengthen statements to governments and the media. *(See list on page 10)*
- At the first meeting of the GLG - held in London 4 October 2005 - 14 corporate officials met to discuss and share concerns regarding, among other things, the significant losses imposed on business as a result of widespread counterfeiting and piracy and stressed that the problem also created significant dangers for consumer health and safety in some sectors. They established the workplan for the initial portfolio of projects. *(See page 6)*
- This year, the GLG met on 29 January in Geneva. 20 corporate officials attended, including 35 observers made up of BASCAP Steering Committee. They established a strategic direction for the second phase of BASCAP. *(See page 7)*
- The main focus during the first phase of BASCAP was to create a tangible set of products that leverage activities across sectors/countries and empower business with a wider portfolio of tools and intelligence to work against counterfeits and pirates.
- ICC has also actively initiated elements of its public education and media campaign, notably putting forward BASCAP positions to governments, including the G8 and EU, and intergovernmental organizations, including WIPO, WCO and Interpol.
- The second phase of BASCAP (2007) will take a global approach to the problem, setting standards for global performance by governments and companies; framing decisions for policymakers; pushing for the allocation of resources at the highest levels in government; and, improving awareness on a global basis. BASCAP will also continue to concentrate on target advocacy efforts with key government and intergovernmental audiences and track efforts of key IGOs (e.g. WCO, WIPO, Interpol, WHO, etc.) to provide both support for work of the IGO secretariats and to use the IGO governing bodies as a conduit to effecting actions at the national level.

Portfolio of current products

Information on counterfeiting and piracy is often widely scattered and difficult to find. BASCAP has developed a range of tools to improve this situation – pulling together existing information, generating new sources of reliable data and facilitating the exchange of information among industry players, government, policymakers and enforcement officials.

- **BASCAP country gateways** offer critical intelligence on a country-by-country basis, tracking developments in real time across geographic borders and business sectors. These searchable gateways include contact information for government agencies, officials and other actors; legislative initiatives and enforcement activities; information and statistics; and recent news. <http://www.iccwbo.org/bascap/id6169/index.html>
- **BASCAP Sector gateways.** In an effort to share lessons-learned from one sector to another, BASCAP sector gateways serve as the initial portal for locating counterfeiting and piracy information on a product sector. Each gateway features basic facts, the latest reports and sector-specific studies as well as information on enforcement activities and an index of those working on the issue. <http://www.iccwbo.org/bascap/id7608/index.html>
- **Brand protection directory.** The brand protection directory, developed in partnership with the ICC Counterfeiting Intelligence Bureau, informs interested parties of measures the business community can take to protect its own brands through investigation or use of anti-counterfeiting technologies. <http://www.iccwbo.org/bascap/id6171/index.html>
- **Connections gateway.** The Connections gateway identifies who is working on IPR protection issues and in what capacity, allowing actors to better co-ordinate and avoid duplicating efforts. <http://www.iccwbo.org/bascap/id6175/index.html>
- **Global Survey.** The global survey on counterfeiting and piracy is a business perceptions-based survey designed to highlight areas that deserve greater attention within national intellectual property protection programmes and to measure progress in countries' efforts to tackle counterfeiting and piracy. The survey is a collaborative effort between ICC and the City University of London, Cass Business School. <http://www.iccwbo.org/bascap/id892/index.html>
- **BASCAP intelligence reports** provide regular statistics on counterfeiting and piracy incidents, identifying brands involved, country locations and seizure values – collectively closing the gap between what is measurable versus estimated. In addition to the daily reports, monthly summaries list and compare incidents between sectors. <http://www.iccwbo.org/bascap/id1127/index.html>
- **Case study database.** Although awareness of counterfeiting and piracy is growing, the breadth of the problem and its impacts are much more damaging than is currently understood. The BASCAP case study database is a first-ever attempt to catalogue thousands of reports, facts and experiences that clarify the need for better IPR enforcement and deepen public understanding of the harm counterfeiting and piracy impose on the greater society. <http://www.iccwbo.org/bascap/id6170/index.html>
- **Standing up for intellectual property.** *Intellectual Property: Source of innovation, creativity, growth and progress* is a document that provides arguments for the protection of intellectual property rights from economic, social and legal standpoints. <http://www.iccwbo.org/bascap/id6168/index.html>

2007 Focus areas

Benchmarking government performance. This project will entail identifying key areas/topics and prescribing an associated benchmark level of performance. The spectrum of benchmark areas, include: allocation of resources, enforcement, border control, free trade zones, adjudication, securing the supply chain, public education, adherence to international protocols, etc. It was agreed that this proactive approach to determining priorities – along with widespread publication of these priorities – could then form the basis of BASCAP advocacy efforts, providing a standard by which to encourage government actions, funding, policies and rulemaking. Similarly, the benchmarks would be fed into BASCAP's available communications outlets, meetings, conferences and media.

Country index. Building upon the BASCAP Global Survey of business perspectives, the premise for this project is that the benchmarks establish minimum performance levels and the index will then be used to measure/evaluate performance. The index has potential to create considerable media attention in and of itself, and could be used effectively to point out where improvement could be made or to highlight good practices or where progress has been made.

Local government blue-prints. This project is derived from the value of recent efforts by the cities of Los Angeles and New York City to quantify local losses associated with counterfeiting and piracy. A model or blueprint for how investments in IP enforcement can pay tangible dividends to local economic development and society (employment, tax base, technology transfer, fighting organized crime) will be devised for use by local governments worldwide.

Model IP Compliance Policies/principles for business. The complement to a set of government benchmarks is a set of IP compliance principles for business. The project will provide reasonably detailed information to businesses on what practical steps they can take to improve (and showcase) their compliance with IP laws. The principles would provide a reasonable amount of specificity beyond 'obey the law, keep good records', but not be so detailed that as to implicate individual industry issues or contentious areas. In addition to demonstrating that business recognizes and accepts a role in the fight against counterfeiting and piracy, the product will serve as a mechanism for aligning IP policy throughout a corporation's global/subsidiary operations and with intermediaries, such as suppliers, shippers, retail, financial, manufacturing, etc.

Media best practices. Given BASCAP's central role vis-à-vis sector and national anti-counterfeiting organizations, it will survey and assess ongoing media campaigns and extract effective messaging approaches and share these back to the global network of actors for further dissemination through their media outlets. This 'media kit' will help organizations better frame messages to governments and consumers and complement individual national or sectoral communications strategies.

Targeted advocacy efforts

- OECD Report. The upcoming release of the OECD report creates opportunities for BASCAP to extract key messages and/or OECD prescriptions and leverage these with media and government.
- G8 Summit. ICC provides business input into the annual G8 Summit and has succeeded in elevating IPR enforcement onto the summit's agenda.
- Border control issues. BASCAP will work with other business and national organizations to strengthen strengthen border control, e.g. Free Trade Zones and Czech/German border issues.
- Intergovernmental organizations. BASCAP will track efforts of key IGOs (e.g. WCO, WIPO, Interpol, WHO, etc.) to provide limited support for work of the IGO secretariats and to use the IGO governing bodies as a conduit to effecting actions at the national level.
- Global Congress to Combat Counterfeiting and Piracy. BASCAP works with Interpol, WIPO, WCO, and other concerned business groups to host this seminal event.

ICC strengths - influence where it counts

The ICC is referred to as the world business organization because it represents businesses of all sizes and in all sectors, in every part of the world. Since 1919, the ICC has worked for companies to create an international market economy based on economic development, open international trade and investment, and sound market rules.

On a daily basis, the ICC tackles the spectrum of issues critical to global business, from trade and investment and sustainable development to international arbitration and customs reform. With the formation of BASCAP, the ICC tackles the critical economic and social dislocations posed by mass piracy and counterfeiting of intellectual property.

In supporting BASCAP, the ICC brings a long history of working collectively, across industry sectors and national borders to marshal resources, shape legislation, and effect sound market rules. It will also employ its global infrastructure to support the BASCAP initiative:

- The ICC's global network of member companies delivers immediate access to expertise and resources across sectors.
- The network of ICC national committees operates in 90 countries, providing powerful on-the-ground resources for reaching and influencing national and local policymakers.
<http://www.iccwbo.org/id100/index.html>
- ICC is also privileged interlocutor with the United Nations, the World Trade Organization and many other intergovernmental bodies on matters affecting business. ICC will use this highest-level consultative status to elevate BASCAP messages on governmental agendas to strengthen and energize their existing mandates and to inspire renewed efforts.
<http://www.iccwbo.org/id4995/index.html>

Communications and media relations

Communications and public education are essential in the fight against counterfeiting and piracy. BASCAP is implementing a multi-faceted public awareness campaign to enhance understanding of intellectual property theft and its consequences. Policymakers are targeted so they better understand the huge social and economic costs arising from counterfeiting and piracy.

ICC's media "assets" include: materials production staff, editorial writers, website featuring 300,000 page views per month, global mailing lists, email alerts, newsletter, exhibition materials, national committees, media partnerships, events and conference planning, and a global network of media contacts. Notably,

- Major international media that covered the ICC GLG meeting, a newly released BASCAP survey and the Congress included: CNN, BBC, CNBC, Bloomberg TV, Star TV Asia, Al Jazeera, Reuters, Associated Press, Dow Jones Newswire, Agence France Presse, The Financial Times and the International Herald Tribune. National television, radio and press reports were issued in some 23 countries throughout the world, notably in China, Russia, India, Germany, the U.S. and Brazil. By conservative estimates, we believe we have reached at least 350 million households worldwide.
<http://www.iccwbo.org/bascap/id897/index.html>
- More than 100 news reports mentioning ICC/BASCAP have already appeared via television, wire services, newspapers, magazines, e-publications and radio. Reports will continue to appear for some months as publications and programming with longer lead times are released. The in-flight programming we have arranged will begin in April on seven airlines, with more airlines expected to follow. <http://www.iccwbo.org/bascap/display4/collection26/folder72/index.html>

Participation

BASCAP is open to all companies and organizations, large and small, committed to the fight against counterfeiting and piracy. Participants are invited to endorse BASCAP objectives, contribute to the development of BASCAP projects and lend their organizations name to the BASCAP global list of supporters. Additionally, companies and organizations are invited to:

- Provide in-kind support, by contributing to the drafting of materials, translating documents, participating on implementation teams, hosting stakeholder events and organizing legislative initiatives or educational workshops in a country/region of interest.
- Financially support the initiative through membership in the Global Leadership Group, or by sponsoring a particular BASCAP product.

Global Leadership Group. The formation of the BASCAP [Global Leadership Group](#) is critical to building awareness, strengthening BASCAP statements to the media, adding weight to interventions with inter-governmental organizations, amplifying the lobby effort with national governments, and generating the core financial resources for the global BASCAP initiative. Participants include CEOs/senior corporate officers of global companies lending their name (and participation as appropriate) and representatives from the ICC International Secretariat. Responsibilities include:

- Lend name in support of BASCAP.
- As appropriate and convenient, CEOs in the BASCAP Global Leadership Group would be invited/encouraged to accept high-level media interviews and prominent speaking engagements..
- Nominate a representative to the BASCAP Steering Committee.
- Option to send senior representative to BASCAP GLG meetings.
- Contribute €50,000 toward financing core BASCAP activities, including development and deployment of BASCAP products and publicity, and outreach activities.

Steering Committee. The Steering Committee brings expertise and a wide, cross-sectoral approach to the BASCAP initiative. It establishes BASCAP implementation priorities and strategy to deliver value to, and leverage the ongoing efforts of, companies and associations working worldwide against counterfeiting and piracy. Representatives appointed by members of the Global Leadership Group; ICC International Secretariat and select developing country organizations and internationally representative industry organizations. Responsibilities include:

- Provide policy and issue expertise and guidance on BASCAP operations, including implementation priorities and strategy.
- Shape the BASCAP message and program direction.
- Contribute €25,000 toward financing core BASCAP activities, including development and deployment of BASCAP products and publicity, lobbying and outreach activities.

BASCAP products are developed through the contributions and expertise of a wide range of stakeholder organizations participating in the [Ad-hoc Product Groups](#). These groups are open to companies and organizations willing to dedicate time and expertise to help implement and deploy individual BASCAP projects. Participants are invited to contribute financial resources to help off-set the cost of product development at an entry level of €3,000-5,000.

Global Leadership Group

The CEO members of the Global Leadership Group represent companies that are committed to creating an environment where intellectual property rights are respected and enforced. The cross-sector group serves to mobilize the international business community – to communicate their collective desire for better IP enforcement to policy-makers and raise awareness about the social and economic costs of piracy and counterfeiting. Members include:

Astra Zeneca, U.S.	David Brennan, Chief Executive Officer
British American Tobacco, U.K	Paul Adams, CEO
Cisco Systems, U.S	Randy Pond, Senior Vice President
DaimlerChrysler, Germany	Gerd T. Becht, Vice President and General Counsel
Eli Lilly, U.S.	Sidney Taurel, Chairman and CEO
EMI (BASCAP Co-Chair), U.K.	Eric Nicoli, CEO
Forhans Pakistan, Pakistan	Tariq M. Rangoonwala, Chairman
General Motors, U.S.	Richard Wagoner, Chairman and CEO
Henkel, Germany	Ulrich Lehner, CEO and Chairman of the Management Board
Hobo Collections, UAE	Afaque Ahmed Khan, CEO
Japan Tobacco, Switzerland	Hiroshi Kimura, President and CEO
Jones Day, U.S.	Stephen Brogan, Managing Partner
LVMH, France	Bernard Arnault, President Director General
Microsoft, U.S.	Steven A. Ballmer, CEO
NBC Universal, U.S.	Bob Wright, Vice Chairman and Executive Officer, GE and Chairman, NBC Universal
Nestlé, Switzerland	Peter Brabeck-Letmathe, Chairman & CEO
Pfizer, U.S.	Andreas Fibig, President, Latin America/Africa/ME
Philip Morris International, U.S.	André Calantzopoulos, President and CEO
Procter & Gamble, U.S.	Robert A. McDonald, Vice Chairman-Global Operations
Sanofi Aventis, France	Jean-François Dehecq, CEO and President
Sara Lee, U.S.	Adriaan Nühn, Executive Vice President
SEB, Sweden	Marcus Wallenberg, Chairman
SICPA, India	Sudhir Jalan, Director
UFO Moviez, India	Raaja Kanwar, Vice Chairman
Unilever, U.K.	Patrick Cescau, CEO
Vivendi (BASCAP Co-Chair), France	Jean-René Fourtou, Chairman of the Supervisory Board
Wimm-Bill-Dann Foods, Russia	David Iakobachvili, Chairman