



International Chamber of Commerce
The world business organization

An ICC initiative

BASCAP
Business Action to Stop
Counterfeiting and Piracy

BASCAP: 2011 Year in Review



This review summarizes the key advocacy efforts undertaken in 2011 by BASCAP members and staff to achieve our objective of stopping counterfeiting and piracy. It was another year of achievements as BASCAP's reputation continued to grow among governments and intergovernmental organizations as the credible voice of global business on this issue. BASCAP increasingly is recognized for its global, cross-sector membership, and for the reliability of our information, reports and educational publications, and the access BASCAP provides to ICC's global leadership, membership and resources.

IP and innovation

Reports

- **IP Guidelines for Business** – The [guidelines](#) were updated in 2011, and two annexes were added: Government Use of Software, Government Procurement of Counterfeits. An annex on Technology Suppliers is being prepared.
- **IP: Powerhouse for Economic growth** – The [report](#) was launched during BASCAP-sponsored [6th Global Congress on Counterfeiting](#) (Paris, February 2011) and explores the benefits of intellectual property (IP) protection in strengthening national economies, driving innovation and technology, fostering new ideas, and enhancing society and culture.

Economic impact reports – growth and jobs

Reports

- **Estimating the Global Economic and Social Impacts of Counterfeiting and Piracy** (Paris, February) – The [report](#) updates the ground breaking 2008 OECD study and estimates that C&P impacts can reach \$1.7 trillion by 2015. It was launched during the 6th Global Congress on Combating Counterfeiting and Piracy during a BASCAP-led panel session on economic impacts.
- **The Economic and Social Impacts of Counterfeiting and Piracy in Turkey** (Ankara, September) – The [report](#) finds that the total economic value of counterfeiting and piracy in Turkey is as much as \$10.6 billion every year, more than 1% of Turkish GDP. It was launched at the High-Level [Conference on “Maximizing the Value of Intellectual Property in Turkey.”](#) organized by BASCAP, in partnership with the U.S. Embassy and national industry groups.

Advocacy agenda

Reports

- **World Free Zone Convention Annual Conference and MOU** (Shanghai, December)
Following participation in the WFZC conference last year, we pursued opportunities for further collaboration to strengthen BASCAP’s relationships with free zone operators with a goal of creating awareness and tools to stop the use of free zones by counterfeiters. This led to the signing of an MOU with WFZC in 2011 and BASCAP participation in the annual conference in Shanghai with a keynote speaking role (delivered by Christian Swan of PMI) and a workshop on IP and counterfeiting for delegates led by Bill Dobson, with support from Christian Swan and Paul Ortiz of Cisco. We are exploring other collaboration opportunities for 2012, including participation in a training program for Customs officers and regional free zone operator workshops for 2012.

Plain packaging

BASCAP took an active stance against the Australian government's proposed [plain packaging](#) legislation, and submitted several papers and press releases arguing that enactment of this bill would create a dangerous precedent that will have far-reaching impacts on the rights of trademark owners and on intellectual property rights in general.

- [BASCAP letter to Committee Secretary](#), comments on Tobacco Plain Packaging Bill 2011 and Trade Marks Amendment Bill 2011, August 30, 2011.
- [BASCAP Press Release](#), ICC says proposed Australian plain packaging regulation 'bad public policy', April 21, 2011.
- [BASCAP Press Release](#), ICC BASCAP Comments Denounce Proposed Australian Plain Packaging Regulation, June 7, 2011.
- [ICC letter to Australian Trade Minister](#), Hon Dr. Craig Emerson, April 20, 2011.
- BASCAP submitted an article on plain packaging to the World Trademark Review (November)

Internet

EU MoU on Sale of Counterfeits over the Internet - European Commission/Directorate- General Internal Market and Services

- May – BASCAP joined 32 other signatories to endorse the [EU's MOU on Sale of Counterfeits over the Internet](#). We were represented at the meeting by Nathalie Moule-Berteaux and Tracy Faustin.
- September – BASCAP represented by Nathalie Moule-Berteaux (Lacoste) and Alexandra Iliopoulou attended the 1st quarterly meeting on EU MoU on the sale of counterfeit goods over the Internet. Assessment of progress, implementation and functioning of the MoU were amongst the issues elaborated. BASCAP expressed support to an effective implementation of the MoU by all the signatories.

Country initiatives

Kenya

- **Conference on Enforcement of IP Rights in Kenya** (Nairobi, May) – At the invitation of the US Embassy, Nairobi, BASCAP represented by Tracy Faustin participated and made a BASCAP presentation to the workshop. ACA (Anti-Counterfeit Agency, Kenya) in partnership with various US government agencies hosted this conference on facilitating the establishment of an interagency/private sector approach to IP enforcement in Kenya. The objectives of this mission was to develop a BASCAP/ACA work plan, support BASCAP members in attendance (BAT, Diageo, HP, Microsoft, P&G, Unilever), establish US government contacts and assess ACA's effectiveness as a partner.
 - [Impacts of Counterfeiting and Piracy in Kenya](#) (November, 2011) – BASCAP, ACA and KIPPRA (Kenyan research agency) have outlined an impacts study in Kenya, modeled on the Turkey report, and will include an official launch.

Turkey

- **BASCAP High- Level Conference on “Maximizing the Value of Intellectual Property in Turkey”** (Ankara, September) – The [conference](#) was hosted by BASCAP, ICC Turkey and the Economic Policy Research Foundation of Turkey (TEPAV). It featured high-level speakers from both government and business, including BASCAP member companies Universal Music, Procter & Gamble, Pfizer, Daimler and Hewlett Packard. The conference introduced two new ICC/BASCAP reports: (1) An [economic report](#) on the impacts of IP theft on the Turkish economy and (2) A [white paper on policy recommendations](#) designed to highlight areas that could improve Turkey’s IP enforcement regime. It was recommended that a working group including representatives from business companies and government officials be formed to follow up on the BASCAP recommendations presented during the conference. Importantly, success of this initiative and the focus on policy recommendations provides a model for future BASCAP in-country work.

Colombia

- **Maximizing the Value of Latin American Innovations through Intellectual Property workshop** (Bogota, March) – This [event](#) was part of the LATAM workshop series, partially sponsored by Microsoft. The objective was to test our strategy of utilizing the popular IP Guidelines for Business events to promote value of IP, explain what’s at risk from counterfeiting and piracy and to deliver policy recommendations. We found that the model works, but we need to do more work with local partners to disseminate the messages beyond the meeting room.

Russia

- **Expo-priority Forum** (Moscow, December) – BASCAP was represented at this [conference](#) by Chris Oldknow and Pawel Savitsky, who presented the Russian translation of the IP Guidelines. Follow-up to the event includes the creation of a task force to refine and bring forward selected elements of the BASCAP-Russia policy prescriptions paper. In addition, Putin has appointed a committee focused on coordinating a strong push against counterfeiting, especially of food, medicines, etc and a major event on this is currently scheduled for May 2012.

Public awareness

Work accelerated in 2011 to develop the BASCAP Awareness Program based on the Phase I research and Phase II creative development. We moved into Phase III partner enrollment and global program delivery. The first four posters and a brochure were created and translated into multiple languages and a website (www.ibuyreal.org) was created to showcase the materials, partners and opportunities to participate with us. Specific action steps included:

- **Association Leaders Meeting** (Paris, February) – A core strategy of BASCAP’s public awareness initiative is to enroll partners to deliver the materials at the national level, and one of the major goals of the Association Leaders meeting at UNIFAB (reported in details elsewhere in this report) was to stimulate interest in working with BASCAP on public awareness. As a result of the meeting, four national associations initiated projects using the “Fakes Cost More/I Buy Real” materials in their native languages: Germany, France, Ukraine and Kenya.
- **World Anti-Counterfeiting Day** (7 June) – BASCAP worked with the GACG to [promote WAC Day](#), and with national groups in Germany, [Kenya](#) and [Ukraine](#).
- **German Anti-Counterfeiting Exhibition** (Summer) – In Germany, BASCAP sponsored APM’s [nationwide touring exhibition](#) of shopping centers. The exhibition featured the BASCAP campaign materials in the German language.
- **EU Observatory on Counterfeiting and Piracy/OHIM** – We began to explore ways to partner with the Observatory to facilitate the use of BASCAP materials as part of Euro-wide awareness program. Several key steps were taken in 2011 to cement this partnership:
 - [Alicante \(July\)](#) – Jeff Hardy, Chris Oldknow and Toe Su Aung met with representatives of the Observatory and the President of OHIM to develop specific ideas for the collaboration with BASCAP.
 - [Alicante \(October\)](#) – Tracy Faustin, Bill Dobson and Toe Su Aung led a two-day workshop with the Observatory/OHIM to introduce the BASCAP campaign to representatives from 19 EU member states, and to begin to enroll them as part of a unified awareness program. The BASCAP materials were translated and produced in all of the EU languages.
 - [Brussels \(October\)](#) – Alexandra Iliopoulou and Chris Oldknow represented BASCAP at a follow-up meeting of the Observatory Private Stakeholders seek additional private sector endorsement of the OHIM/BASACP public awareness campaign. Following agreement of this group, the plan was approved at a meeting of the Observatory member states in Warsaw (9 December). We will now work with the Observatory/OHIM to roll-out a program in early 2012
- **Anti-Piracy Summit** (New York, November) – Caitlin Martin presented the BASCAP Consumer Attitudes and Perceptions Survey, Public Awareness Campaign, and ‘I Buy Real’ initiative.

Intergovernmental agenda

- **Sixth Global Congress** (Paris, February) – BASCAP again provided strong leadership in planning and delivering the [Sixth Global Congress](#), working with WIPO as the Chair, WCO, Interpol and INTA. BASCAP was highly visible throughout the Congress. BASCAP chaired and/or had speakers on every major agenda session. We leveraged the Congress to hold a [press conference](#) in partnership with Microsoft, and to launch two new papers (see above).
 - WCO Director General Kunio Mikuriya participated personally in the BASCAP media briefing on Day 2 of the Congress, furthering our relationship with WCO by giving them an opportunity to highlight their key priorities with the media.
 - In addition, BASCAP hosted a reception in Paris for more than 60 company representatives and government and IGO officials attending the Congress.

ACTA

- **ACTA Strategy Meeting** (Brussels, September) – BASCAP working with INTA convened the European IP Brussels based associations to take action in supporting the ACTA ratification process in the EU. BASCAP, represented by Alexandra Iliopoulou, drafted and the BASCAP paper on “De-bunking the ACTA myths” to steer the process for building EU Parliament support.
- **World Trademark Review** (November) – BASCAP published an article on ACTA in the World Trademark Review Anti-Counterfeiting Guide 2012.
- **ACTA – “Why You Should Support It”** (December) – BASCAP and INTA working with ISFE, IFPI, ECTA and BSA developed a document on the positive value of ACTA and the strong business support for ACTA. Its powerful content will be communicated to the Members of the European Parliament involved in the ACTA ratification process.
- **ACTA - European Commission Directorate General for TRADE** (Brussels, December) – meeting with Mr. Pedro Velasco-Martins, Deputy Head of Unit on International aspects of IPRs/ACTA Negotiator to discuss the latest developments on ACTA from Commission perspective. BASCAP represented by Alexandra Iliopoulou conveyed its support on ACTA explained the business community’s actions, led by BASCAP, to support the ACTA ratification process in the EU.

EU Observatory

- **EU Observatory on Counterfeiting and Piracy** (Brussels, June)- Tracy Faustin and Alexandra Iliopoulou met Mr. Patrice Pellegrino, Brussels Liaison Officer OHIM/Cabinet to discuss cooperation between BASCAP and OHIM on developing research-based consumer awareness programs across the EU, build on the important research carried out by BASCAP. Tasks and functions of the EU Observatory entrusted to OHIM were also raised.
- **EU Observatory Private Stakeholders Meeting** (Brussels, October) – EU Observatory’s structure and work plan, public awareness and study to assess the scope, scale and impact of counterfeiting and piracy in the internal market were the discussion topics. BASCAP was

represented by Chris Oldknow (Microsoft) and Alexandra Iliopoulou. Chris Oldknow delivered a presentation on the development of a Consumer Awareness strategy using the BASCAP message testing research along with a practical set of consumer awareness tools developed by BASCAP based on its research. As noted separately, the BASCAP research and materials will be part of the Observatory's efforts to create a consumer awareness program on counterfeiting and piracy across the EU.

World Customs Organization

- **Open Day for Trade/MOU signing ceremony** (Brussels, June) – ICC and WCO signed a revised Memorandum of Understanding (MOU) that sets out working activities between the two parties. The revised ICC-WCO joint working program includes BASCAP's call for stronger border controls on counterfeiting and for WCO to resume a leadership position on Free Trade Zones. The MOU also reiterates the ICC-WCO partnership in hosting the Global Congress. BASCAP represented by David Cooper also made a presentation on the role and responsibilities of Free Trade Zones.
- **WCO CAP (Counterfeiting and Piracy) Group meeting** – (Brussels, 26 October 2011) – BASCAP represented by Christian Swan presented the public awareness program which was well received by all participants. The Chair acknowledged the importance of the initiative and the need for IGOs such as WCO to proactively support its dissemination.
- **WCO 60th anniversary sponsored advertisement** (November 2011) – BASCAP's sponsorship and advertisement congratulated WCO on their 60th anniversary and encouraged continued collaboration on free trade zones, goods-in-transit, fighting fakes at borders and facilitating genuine trade in fair competition.
- **Meeting with WCO Deputy Director** (Shanghai, December) – Bill Dobson and Christian Swan from PMI met with Allen Bruford, WCO Deputy Director, at the WFZC Convention in Shanghai, where Mr. Bruford was also a speaker. We discussed the Global Congress and WCO's views on FTZs and the 2006 proposal for WCO Guidelines. As a result, this topic was added to the 14 December meeting of the Rights Holders Advisory Group.
- **WCO Right Holders Consultative Group** (Brussels, December) – BASCAP was represented by Christian Swan (PMI), Nikki Bullock (Epson), D'Arcy Quinn (Croplife), Hugh Pullen (Eli Lilly) and Toe Su Aung (BAT). Christian Swan delivered a presentation on the BASCAP paper of FTZs conveying the message that BASCAP stands ready to work with WCO on developing a specific plan on proceeding with FTZ issue (e.g., revision and adoption of the WCO FTZ Guidelines). Alexandra Iliopoulou presented the BASCAP position paper on Goods in transit conveying the message that BASCAP supports increased enforcement and detention of transiting counterfeit goods through the EU Member States whether the goods are bound to a destination within or outside of the EU. The goods in transit paper prompted positive reactions from a number of brands owners attending the meeting.

Other IGO

- **EU Enforcement Directive** (April) – BASCAP submitted a formal statement to the EU endorsing the Enforcement Directive.

- **Meeting with U.S. National IPR Coordination Center** (Washington, May) – BASCAP (Hardy, Dobson, Benjamin) met with 10 representatives from U.S. Immigration and Customs Enforcement (ICE), Customs and Border Protection (CBP) and the FBI to introduce BASCAP and identify opportunities to partner with the USG, including possible collaboration on public awareness.
- **Interagency Cooperation on Enforcement of IPR in Ghana, Kenya, Liberia, Nigeria** (Washington, August) - Bill Dobson and BASCAP members Microsoft, Nokia, Pfizer and P&G, participated in a panel discussion hosted by the USPTO's Global Intellectual Property Academy (GIPA), on developing public-private partnerships to fight counterfeiting and piracy. The meeting was hosted by the US Department of Commerce and its Commercial Law Development Program (CLDP). The meeting also provided an opportunity to discuss the CLDP's plans for a pan-Africa IP Summit in 2012 and to confirm BASCAP's interest in being the lead business organization in helping CLDP organize this event. This has led to ongoing discussions with CLDP to help recruit BASCAP member sponsorship, shape the agenda and to include BASCAP speakers in the 3-5 April 2012 event in Cape Town. We expect BASCAP to be a lead sponsor and play a major role in this meeting.
- **WTO/WIPO Meetings** (Geneva, September) – Bill Dobson and Toe Su Aung met at WTO and WIPO with leaders of each organization involved in the counterfeiting and piracy issue to introduce BASCAP's work and priorities and discuss key issues, including ACTA, FTZs, public awareness, intermediaries and the supply chain, plain packaging and other topics. Several opportunities for collaboration between BASCAP and WTO and WIPO emerged from the meetings and follow-up actions have been initiated on public awareness, training and sharing of BASCAP research and papers.
- **INTERPOL - International Law Enforcement IP Crime Conference** (Madrid, September) – this annual conference organized by Interpol attracts a strong cross-section of national law enforcement, government, IGO, and business leaders as speakers and delegates. We used the meeting as an opportunity to network with key stakeholders and to meet with key officials from the USG, EU and OHIM to discuss our public awareness program.
- **Debate Session with Antonio Campinos, President of OHIM** (Brussels, September) – BASCAP presented views and support for the role of the EU Observatory during an intervention by the President of OHIM regarding the work plan of the EU Observatory entrusted to OHIM as well as the on-going revision of the EU Trademark legislation.
- **European Parliament Forum on Intellectual Property, Counterfeit, Contraband and Organized Crime** (Brussels, September) – BASCAP presented views and support for increased enforcement of IPRs during a session on "IP and rights create value and jobs" hosted by Andreas Schwab, MEP Committee on the Internal Market.
- **BASCAP Position Paper on Goods in Transit** (November) – BASCAP developed a position paper on *Goods in Transit* in view of the revision of the EU Customs Regulation 1383/2003. Adequately addressing Goods in transit is a top priority for BASCAP members and the paper summarizes the problem and recommends specific amendments to be introduced in the revised regulation to remedy the situation.

- **Meeting with Mr. Vital Moreira, Chair of the European Parliament International Trade Committee** (Brussels, December) – BASCAP met Mr. Moreira, MEP Chair of INTA Committee to discuss the latest developments on ACTA in the EP and the goods in transit issue. We explained what the business community led by ICC/BASCAP and INTA has been doing from the start of the ACTA negotiations and gave him the “Why you should support ACTA” draft leaflet-document. On goods in transit issue, BASCAP presented its position paper, which was positively welcomed.

Miscellaneous

- **Fordham Conference** (New York, April) – BASCAP hosted the Conference lunch, presented a keynote speech (David Benjamin) and used the opportunity to promote the new BASCAP Publication [Intellectual Property: Powerhouse for Innovation and Economic Growth](#).
- **USCIB's IP Committee meeting** (New York, April) – David Benjamin (Universal Music) hosted USCIB's IP Committee meeting and briefed members on BASCAP activities.
- **Briefing for Chinese officials** (New York, May) – BASCAP, represented by Caitlin Martin, provided a BASCAP briefing to visiting delegates from Chinese State IP Office.
- **Briefing for the Mexico's Deputy Attorney General** (Mexico City, June) – BASCAP met with Irving Barrios, Deputy Attorney General, who was interested in digital piracy. We provided a copy of our 2009 report on [The Impact of Counterfeiting on Governments and Consumers](#), which features Mexico and our EU digital piracy study.
- **Risky Business: A Cross-Sector / Public-Private Look at Supply Chain Integrity & Counterfeiting** (New York, June) – BASCAP presented supply chain views to the conference, which has now generated an opportunity for members to participate in a (2012) NYU project looking at counterfeits in the supply chain.
- **Meeting of the ICC National Committees of the Americas** (New York, November) – BASCAP presented its program to ICC national committees and encouraged them to form IP committees and recruit new members.
- **Website and social media** – All work has been done to collect, edit and reorganize BASCAP's online content for ICC's revamped website, to be introduced in February 2012. BASCAP has also created a Facebook page, with plans to more actively engage in social media.
- **Digital Piracy in the US** – BASCAP commissioned a study on the impacts of digital piracy on the US market. The report builds on the data and methodology used in our 2010 [report on digital piracy](#) in the EU. The report will be published in first quarter 2012.
- **BASCAP Steering Committee meetings** – members of the BASCAP Steering Committee met on three occasions in 2011 to implement the work program:
 - Paris (February)
 - London (March)
 - New York (September)

Press releases

- [ICC BASCAP launches Intellectual Property Guidelines in Russian](#) (Moscow, Dec 7)
- [Australian law raises concerns for trademark owners and business](#) (Paris, Nov 10)
- [Business Lauds Signing of the Anti-Counterfeiting Trade Agreement](#) (New York, 1 Oct)
- [BASCAP puts counterfeiting and piracy in Turkey at US\\$10.6 billion](#) (Ankara, 29 Sep)
- [ICC and WCO sign agreement to strengthen working partnership](#) (Brussels, 27 Jun)
- [World Anti-Counterfeiting Day: BASCAP launches consumer awareness campaign](#) (Paris, 8 Jun)
- [ICC Comments Denounce Proposed Australian Plain Packaging Regulation](#) (Paris, 7 Jun)
- [ICC Says Proposed Australian Plain Packaging Regulation 'Bad Public Policy'](#) (Paris, 21 Apr)
- [BASCAP launches workshop on maximizing the value of Intellectual Property](#) (Bogota, 30 Mar)
- [Intellectual Property: Powerhouse for Innovation and Economic Growth](#) (Paris, 3 Feb)
- [Impacts of counterfeiting and piracy to reach US\\$1.7 trillion by 2015](#) (Paris, 2 Feb)
- [Sixth Global Congress on Combating Counterfeiting and Piracy Opens in Paris](#) (Paris, 2 Feb)
- [Global anti-counterfeiting and piracy congress to meet in Paris](#) (Paris, 14 Jan)

BASCAP member companies (2011)

Baker & McKenzie	Microsoft
British American Tobacco	NBC Universal Nestlé
Chanel	Nokia
Cisco Systems	Pfizer
Croplife International	Philip Morris International
Daimler	Procter & Gamble
Diageo	Richemont
Eli Lilly	Sony
Epson	Unilever
Hewlett Packard	Universal Music
Japan Tobacco	Vivendi
Lacoste	Wimm Bill Dann Foods