



International Chamber of Commerce

The world business organization

An ICC initiative

BASCAP

Business Action to Stop Counterfeiting and Piracy

Progress report

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Executive Summary

- Counterfeiting and piracy are spiralling out of control. 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.
- In response to this threat, the International Chamber of Commerce has 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.
- 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.
- BASCAP's objectives are to:
 - Increase public and political awareness of the economic and social harm associated with counterfeiting and piracy;
 - Create an environment in which intellectual property is respected and protected; and
 - Encourage government action and the allocation of resources to improved IPR enforcement.
- In October 2005, BASCAP created a Global Leadership Group, currently comprised of 27 CEOs and corporate officials, to build awareness and strengthen statements to governments and the media.
- The main focus during the first phase of BASCAP has been 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, beginning January 2007, will concentrate on the widespread dissemination and utilization of BASCAP tools and public education, and compelling government action towards the implementation of effective IPR protection regimes.

BASCAP products

Improving transparency and making connections

Product 1: Information clearinghouse

The *BASCAP information clearinghouse* is available on the BASCAP website (www.iccwbo.org/bascap) and is designed to be the premier online destination for locating information and making connections in the global fight against counterfeiting and piracy. The clearinghouse consists of four gateways for connecting activities – each is an innovative, distributed exchange platform, where a large number of organizations participate in, and benefit from, the gateways both as providers (sharing knowledge and information) and as users (benefiting from the online resources). The gateways are a continuous work-in-progress, benefiting from regular contributions from many different BASCAP stakeholders.

Status: All gateway elements are currently online and receiving roughly 20,000 page views per month. Products publicized by global press releases and mailings to roughly 2,200 constituents.

1a) Country gateways – Designed to facilitate specific country research and connect actors working there. Each offers critical intelligence on a country-by-country basis, tracking developments in real time across 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. Many of these gateways are sponsored by ICC national committees, with information in the country's native language.

Status: Gateways constructed for 59 countries – 21 of which are hosted by ICC national committees, providing local information in local languages.

1b) 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.

Status: Gateways constructed for 11 sectors – 4 of which are hosted by sector associations.

1c) Brand protection gateway – Designed to inform stakeholders about measures the business community can take to protect its own brands, either through investigation or through the deployment of anti-counterfeiting technologies. The brand protection gateway features a Global Industry Directory and a virtual exhibition area.

Status: Developed in partnership with the ICC Counterfeiting Intelligence Bureau; listings currently feature 25 companies.

1d) Connections gateway – Identifies who is working on IPR protection issues and in what capacity, allowing actors to better coordinate and avoid duplicating efforts.

Status: Developed in direct partnership with national anti-counterfeiting associations, featuring 23 listings from 18 countries.

Advocacy tools

BASCAP seeks to compel government action towards improved IPR enforcement through the production of a portfolio of information and advocacy tools.

Product 2: 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. It provides recommendations for positive action that individuals, governments and the international community can take to protect IPRs and ensure that innovation continues to drive human progress and enhance standards of living.

Status: Developed by ICC through the support and expertise of over 20 companies and trade associations. The document is available in print form and online.

Product 3: Collection of case studies

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 IP enforcement and deepen public understanding of the harms counterfeiting and piracy impose on society.

Status: Developed in partnership with the ICC Counterfeiting Intelligence Bureau, the searchable database is organized into 9 impact categories, including loss of employment, risks to consumer health & safety, erosion of tax base, diminishment of technology transfer and links to organized crime.

Product 4: Global survey on counterfeiting and piracy

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 programs and to measure progress in countries' efforts to tackle counterfeiting and piracy. The first in an annual exercise, the survey is a collaborative effort between the ICC and the City University of London, Cass Business School.

Status: Developed by ICC in collaboration with the City University of London, Cass Business School, the survey comprises views of 48 companies operating internationally. The report was made available to the press on 29 January 2007 and is available online.

Product 5: Intelligence reports

In an era of numbers, where decisions are increasingly data-driven, the BASCAP intelligence reports provide daily 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.

Status: More than 450 web pages of content have been developed and daily reports are distributed to a list of roughly 1,800 subscribers.

Public and political awareness campaign

Communications and public education are essential in the fight against counterfeiting and piracy. Recognizing this, BASCAP is implementing a multi-faceted public awareness and education campaign to improve understanding of the issue and its consequences. Policymakers will be targeted so they understand the full social and economic costs of counterfeiting and piracy. The campaign will also aim to give consumers better information on the harmful effects of buying such products.

1. Outreach to governments and IGOs – BASCAP phase one activities include:
 - a. GLG letter to EC President Barroso;
 - b. Meeting with Russian President Putin prior to the 2006 G8 Summit;
 - c. Participation in the WCO IPR Working Group;
 - d. Support of research conducted by OECD;
 - e. Co-hosting of the Global Congress on Combating Counterfeiting and Piracy, with Interpol, the World Customs Organisation, the World Intellectual Property Organisation and fellow business groups.

2. Public outreach, speaking appearances and media events – Getting the word out is a critical element of the BASCAP awareness campaign. Significant steps have been taken in this area during the first phase of BASCAP, and as part of BASCAP phase two, ICC will continue these outreach efforts, including the engagement of BASCAP member companies.
 - a. ICC and GLG members have made dozens of public appearances, reaching over 25,000 stakeholders in just the last year.
 - b. Regular television appearances have been conducted by ICC Secretary General Guy Sebban.
 - c. Nine BASCAP press releases have been issued by ICC Communications, each appearing on the ICC homepage, which receives about 200,000 page views per month.
 - d. Three op-ed articles have been placed in the print media.
 - e. 100 news articles have been written on BASCAP activities, such as the ICC meeting with Russian President Putin.

3. Media partnerships – ICC has developed print and television media partnerships, including with the Wall Street Journal Europe, CNBC and FBC (London). These partnerships are designed to leverage media outlets to widen the reach of BASCAP messages.

4. National Committee activities – All BASCAP products and press materials are distributed to ICC's global network of 90 national committees, for further distribution to their local corporate members and media contacts. In addition, BASCAP, in cooperation with national committees and the ICC Counterfeiting Intelligence Bureau, holds local workshops (e.g. Russia, Mexico, Finland) designed to rally local businesses and convey messages to national government officials. Future events are planned for 2007.

5. The BASCAP Newsletter – A quarterly report on key BASCAP activities and progress in the development of BASCAP products is available on the BASCAP website and distributed to a list of 6,000 ICC contacts.

Participation

BASCAP is open to all companies, large and small, committed to the fight against counterfeiting and piracy. To date, more than 150 companies and trade associations have championed BASCAP through participation in a BASCAP strategy meeting, contributing expertise to a project working group, or joining the Global Leadership Group. Others have been instrumental in public outreach, sponsoring meetings or contributing funding.

Global Leadership Group

The formation of the Global Leadership Group is critical to building awareness, strengthening BASCAP statements to the media, adding weight to interventions with intergovernmental organizations, amplifying the lobby effort with national governments, and generating the core financial resources for the global BASCAP initiative. Members include:

Astra Zeneca <i>United Kingdom</i>	David Brennan, Chief Executive Officer
British American Tobacco <i>United Kingdom</i>	Paul Adams, CEO
Cisco Systems <i>United States</i>	Randy Pond, Senior Vice President
DaimlerChrysler <i>Germany</i>	Dr Dieter Zetsche, CEO
Eli Lilly <i>United States</i>	Sidney Taurel, Chairman and CEO
EMI (BASCAP Co-Chair) <i>United Kingdom</i>	Eric Nicoli, CEO
Forhans Pakistan <i>Pakistan</i>	Tariq M. Rangoonwala, Chairman
General Motors <i>United States</i>	Richard Wagoner, Chairman and CEO
Henkel <i>Germany</i>	Ulrich Lehner, CEO and Chairman of the Management Board
Hobo Collections <i>UAE</i>	Afaque Ahmed Khan, CEO
Japan Tobacco Inc. <i>Japan</i>	Hiroshi Kimura, President and CEO
Jones Day <i>United States</i>	Stephen Brogan, Managing Partner
Li and Fung Group	Victor Fung, Group Chairman

China

LVMH
France

Bernard Arnault, President Director General

Microsoft
United States

Steven A. Ballmer, CEO

NBC Universal
United States

Bob Wright, Vice Chairman and Executive Officer, GE and Chairman and CEO, NBC Universal

Nestlé
Switzerland

Peter Brabeck-Letmathe, Chairman & CEO

Pfizer
United States

Andreas Fibig, President, Latin America/Africa/ME

Philip Morris International
United States

André Calantzopoulos, President and CEO

Procter & Gamble
United States

Robert A. McDonald, Vice Chairman-Global Operations

Sanofi Aventis
France

Jean-François Dehecq, CEO & President

Sara Lee
United States

Brenda C. Barnes, Chairman and CEO

SEB
Sweden

Marcus Wallenberg, Chairman

SICPA Holding
Switzerland

Philippe Amon, Executive Co-Chair, SICPA Holding
Sudhir Jalan, Director, SICPA India

UFO Moviez
India

Raaja Kanwar, Vice Chairman

Unilever
United Kingdom

Patrick Cescau, CEO

Vivendi (BASCAP Co-Chair)
France

Jean-René Fourtou, Chairman of the Supervisory Board

Mr Jean-Bernard Lévy, Chairman of the Management Board and
Président du Directoire

Wimm-Bill-Dann Foods
Russia

David Iakobachvili, Chairman