



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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International Chamber of Commerce

38, Cours Albert 1er, 75008 – Paris, France

Telephone +33 1 49 53 28 28 Fax +33 1 49 53 28 59

Web site www.iccwbo.org E-mail icc@iccwbo.org



The challenge

Counterfeiting and piracy are spiraling 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 all 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 has been formed 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; this is an ongoing effort;
- Encourage government action and the allocation of resources to improved IPR enforcement.

BASCAP seeks to accomplish these objectives by:

- Connecting ongoing business activities, business strategies and messages.
- Producing information and products that have value to corporations and trade associations across sectors.
- Leveraging ongoing and new business initiatives through use of the ICC network of national committee contacts with national governments; network of global media relationships; and, accreditation and relationships with intergovernmental organizations.

For more information, contact:

Jeffrey Hardy: <mailto:Jeffrey.hardy@iccwbo.org> ; Tel +1.239.935.9839;
ICC Communications: Mary Kelly: <mailto:Mary.kelly@iccwbo.org> ; Tel +33-1-4953.2987

Executive Summary

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. In October 2005, BASCAP created a Global Leadership Group, currently comprised of 16 CEOs and corporate officials to build awareness and strengthen statements to governments and the media. ICC has also put forward BASCAP positions to governments, including the G8 and EU, and intergovernmental organizations, including WIPO, WCO and Interpol. BASCAP representatives promote more effective IP enforcement through multiple appearances in news-print and television. The main focus to date has been to create a tangible set of products that leverage activities across sectors and national boundaries.

Making connections

- Product 1: Internet-based clearinghouse, featuring four gateways for connecting activities:
 - Country gateways – available online, supported by ICC national committees
 - Sector gateways – available online, supported by trade associations
 - Brand protection gateway – available online in June 2006, conducted in partnership with ICC Counterfeiting Intelligence Bureau\
 - Who's who gateway – available online in July 2006

Advocacy tools

- Product 2: Standing up for Intellectual Property. The document *Intellectual Property: Source of innovation, creativity, growth and progress* is available in print form and online
- Product 3: Collection of case studies – available online in October 2006, developed in partnership with the ICC Counterfeiting Intelligence Bureau
- Product 4: Global Survey on Counterfeiting and Piracy – survey dispatched to participating companies in July 2006, final product available in September 2006, designed in partnership with the City University of London, Cass Business School
- Product 5: Intelligence reports on C&P incidents, brands, country locations and seizure values – available in June 2006, conducted in partnership with Gieschen Consultancy

Public and political awareness campaign

- Product 6: Awareness campaign. Communications and public education are essential in the fight against counterfeiting and piracy. Recognizing this, BASCAP is implementing a multi-faceted public education campaign to improve understanding of the issue and its consequences, including public outreach and media events; media partnerships; country workshops conducted in partnership with ICC national committees and the ICC Counterfeiting Intelligence Bureau; co-hosting the Global Congress on Counterfeiting and Piracy, conducted in partnership with Interpol, WCO, WIPO and other business groups; and, quarterly editions of the BASCAP Newsletter.

BASCAP history

The BASCAP initiative was launched in early 2005 in response to ICC member company concerns over the rapidly increasing problem of counterfeiting and piracy. In particular, statements from the international panel of experts at the 35th ICC World Congress in Marrakech in June 2004 made clear that this illegal activity had grown well beyond individual company interests and demanded an aggressive, coordinated response that integrates all business sectors and cuts across national borders.

During a preparatory phase in the autumn of 2004, ICC actively surveyed member companies, trade associations and national committees on the subject of piracy and counterfeiting – listening to their concerns and reviewing their activities. ICC also conducted an internal review of resources and relevant experience and determined that it could effectively provide a cross-sectoral voice on a worldwide basis and that it could make available an operational platform with the potential to better *connect* business activities and *leverage* ongoing efforts in the fight against counterfeiting and piracy.

These propositions were tested on 26 November (Paris) and 15 December (New York), when ICC Chairman Jean René Fourtou held dialogues with some 110 representatives of corporations, industry trade associations and the media. The majority of stakeholders indicated that more must be done and that ICC's internationally focused, cross-sectoral approach would be useful in supporting their work. Additionally, ICC's global reputation and track record were considered extremely useful to amplify business messages with intergovernmental organizations and national governments that have thus far been unmotivated, unwilling or simply unable to act.

On 9 March 2005, in Paris, Chairman Fourtou held a 3rd stakeholder meeting that consolidated the previous suggestions into a tangible work program that has become known as BASCAP – Business Action to Stop Counterfeiting and Piracy. The plan initially identified a set of key products where ICC's global reach and reputation could deliver value widely to actors in all sectors. These include: (1) internet-based *clearinghouse for connecting activities*; (2) compilation of arguments to support *Standing up for Intellectual Property* from economic, social and legal standpoints; (3) the *collection of case studies* to champion the need for better enforcement; (4) a *Global Survey on C&P*; (5) a comprehensive *awareness campaign* to generate sustained media coverage on IP enforcement. New elements and products have been added to this portfolio, as described below.

In October 2005, in London, ICC held the first meeting of a newly-formed Global Leadership Group, comprised of 15 CEOs and corporate officials representing companies that are committed to working with governments to create an environment where intellectual property rights are respected and enforced. The formation of the Global Leadership Group has been 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. The Group's next meeting is on 29 January 2007, in Geneva.

ICC has put forward BASCAP positions to governments, including the G8 and EU, and intergovernmental organizations, including WIPO, WCO and Interpol. BASCAP representatives have also promoted more effective IP enforcement through multiple speaking and media appearances in news-print and television.

BASCAP products

Making connections

Product 1: Information clearinghouse

The *BASCAP Information Clearinghouse* is located 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.

- 1a) Country gateways – designed to facilitate specific country research and connect actors working there. Each gateway provides contact information for government agencies, officials and other actors; legislative initiatives and enforcement activities; information and statistics; and, recent news. There is also an option to search on country-specific topics, such as the type and number of products seized or local measures taken by companies to prevent counterfeiting and piracy. Many of these gateways are sponsored by ICC national committees, with information in the country's native language.
- 1b) Sector gateways – designed to be the first-stop to learn about counterfeiting and piracy related to a specific product sector – and then to make connections with other actors in this area. Each gateway features basic facts and recent reports and studies conducted in the sector; information on product-related enforcement activities; and, an index of actors working in the area. Most importantly, each work area directs visitors to the original sources, so as to facilitate collective action. There is also an opportunity to conduct searches on product-specific topics such as seizure values. Many of these gateways are sponsored by trade associations, enabling visitors to connect instantly to their expertise.
- 1c) Brand protection gateway – (under development) 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 three main areas: (i) a Company Showcase, enabling companies to highlight their services and their ability to assist brand owners to protect intellectual property; (ii) a Case Studies and News section, featuring contributions from the Showcase sponsor companies; (iii) a Global Industry Directory, listing companies and providing direct contact information. This gateway is being developed in partnership with the ICC Counterfeiting Intelligence Bureau. [Launch date: June 2006]
- 1d) Who's who gateway – (under development) recognizes that better coordinated industry efforts, both by companies and by the associations representing companies, will lead to more effective messaging, greater effectiveness in implementing efforts on the ground and better use of available resources. The purpose of the gateway, therefore, is to create greater transparency – in knowing who's doing what, and where and to connect the strategic activities pursued by the many actors working to fight counterfeiting and piracy. [Launch date: July 2006]

Advocacy tools

BASCAP seeks to compel government action towards improved IPR enforcement and to create a culture change where intellectual property is respected and protected. This can be accomplished through the production of information and products that have value to corporations and trade associations across sectors.

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. The product was 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

The collection of case studies, facts and experiences (under development) is designed to support those preparing messages urging the need for better enforcement, including reports on topics such as 'loss of lawful employment opportunities' or 'risks to health and safety'. Although counterfeiting and piracy is growing, how it harms individuals and societies remains poorly understood. This product helps business leaders and industry actors strengthen and focus their messages, thereby widening the public's understanding of this problem. The database is being developed in partnership with the ICC Counterfeiting Intelligence Bureau. [Launch date: October 2006]

Product 4: Global survey on counterfeiting and piracy

Decision makers are eager for tools that will help them to identify problems, track trends and set priorities, especially in an era of numbers, where decisions are increasingly data-driven. The Global survey on counterfeiting and piracy (under development) is designed to highlight areas that deserve greater attention within national Intellectual Property protection programs and to measure progress in countries' efforts to fight counterfeiting and piracy. The product is a business perceptions-based survey designed and implemented by ICC in partnership with the City University of London, Cass Business School. [Launch date: mid September 2006]

Product 5: Intelligence reports

The BASCAP Intelligence reports provide daily statistics on counterfeiting and piracy incidents, brands involved, country locations and seizure values. This product also includes a monthly summary of information that lists and compares incidents between sectors; and, a Facts & Figures section that summarizes counterfeiting anti-counterfeiting activity by brands counterfeited, brand protection strategies, industry reports and country-specific data. [Launch date: June 2006]

Public and political awareness campaign

Product 6: 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.

- 6a) Public outreach and media events – ICC Secretary General Guy Sebban has already addressed dozens of audiences, including the World Congress on Information Technology, the 2nd Global Congress on Counterfeiting and Piracy, the Conference on Protecting Intellectual Property, and the 11th European Forum on Intellectual Property in Paris. He has also conducted numerous press and television interviews. ICC will continue these outreach efforts, including the engagement of BASCAP member companies, as part of the comprehensive public and political awareness campaign.
- 6b) Media partnerships – ICC is also developing media partnerships with news press and television. [Launch date: mid July 2006]
- 6c) Country workshops – In partnership with ICC national committees and the ICC Counterfeiting Intelligence Bureau, BASCAP will begin holding a series of workshops designed to rally local businesses and convey messages to national government officials. The events will also tackle issues like devising an effective counterfeiting strategy, using law enforcement to detect and deter, and using technology to protect and authenticate products. [Launch date: Autumn 2006]
- 6d) Global Congress on Counterfeiting and Piracy – ICC, in partnership with Interpol, the World Customs Organisation, the World Intellectual Property Organisation and other business groups, co-hosts the Congress to promote the implementation of effective strategies and good practices by governments and business in the fight against counterfeiting and piracy. The third Global Congress will be held at WIPO headquarters in Geneva, 30-31 January 2006.
- 6e) The BASCAP Newsletter – A quarterly report on key BASCAP activities and progress in the development of BASCAP products. [Launch date: June 2006]

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 one 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 CEO members of the Global Leadership Group represent companies that are committed to working with governments to create 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. The formation of the 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.

Members include:

- Jean-René Fourtou, Chairman, Supervisory Board, Vivendi (BASCAP co-chair), France
- Eric Nicoli, Chairman, EMI Group (BASCAP co-chair), United Kingdom
- Steven A. Ballmer, CEO, Microsoft, United States
- Peter Brabeck-Letmathe, Chairman and CEO, Nestlé, Switzerland
- David Brennan, CEO, Astra Zeneca, United Kingdom
- Stephen Brogan, Managing Director, Jones Day, United States
- Pierre Dufour, Deputy CEO, Astra Zeneca, United Kingdom
- David Yakobashvili, Chairman, Wimm-Bill-Dann Foods, Russia
- Sudhir Jalan, Vice Chairman, SICPA India Ltd., India
- Andrew Conway Gaorekwe Molusi, CEO, Johnnic Communications, South Africa
- Randy Pond, COO, Cisco Systems, United States
- Tariq M. Rangoonwala, CEO, Home Products International, Pakistan
- Marcus Wallenberg, Chairman, Skandinaviska Enskilda Banken
- Andrew Witty, President, Pharmaceuticals Europe, GlaxoSmithKline, United Kingdom
- Bob Wright, Vice Chairman & Executive Officer, General Electric Co.; Chairman & CEO, NBC Universal, United States
- Rotating seat for GBLAAC CEOs

Charles O. Holiday, CEO, Dupont, United States, and Hank McKinnell, CEO, Pfizer, United States, participate in BASCAP through representation in the BASCAP Steering Committee.