



News Flash

Cigarette Smuggling: It Adds Up

6th December, 2013 | Pacific Standard

While schools and states hem and haw about how to best regulate e-cigarettes, it seems that the lo-fi versions are still causing just as much of a headache. On Monday, the Virginia State Crime Commission said it would launch a new investigation into illegal cigarette trafficking there.

Cigarette smugglers know what they're doing, and they know where to go to do it. The taxes on cigarettes are so low in Virginia, and so high in New York, for instance, that cigarette smugglers can make a killing in a short, one-day's drive. (Don't forget your hollowed-out concrete slabs, guys.) The New York Times reported earlier this year that New York has the highest rate of cigarette smuggling in the country, and "perhaps not coincidentally" has the highest taxes, too. According to estimates by the Mackinac Centre for Public Policy, three out of every five cigarettes smoked in the state of New York had been illegally smuggled in. Says the Associated Press.

<http://www.psmag.com/navigation/business-economics/cigarette-smuggling-adds-71144/>

Chair's Message



Anil Rajput,
Chair FICCI CASCADE,
Sr. VP Corporate Affairs, ITC Ltd

"With the proliferation of the menace of counterfeiting and smuggling, our economy is facing huge losses. Therefore, to avoid the pitfalls of counterfeiting and smuggling, FICCI CASCADE has again made its considerable efforts to generate awareness among the consumers in various parts of the country and has taken this agenda to Jaipur and Chandigarh with consumer sensitization programme with an attempt to indulge the youth in the game of 'hitting hard to counterfeiters and smugglers'. I invite you all to join us and spread the word and be CASCADERS".

FICCI CASCADE in News

Rajasthan Partika, Jaipur, 24th December 2013



Hindustan Times, Lucknow, 30th December 2013



Candle Light Congregation Fight Against Counterfeiting and Smuggling



Join hands to curb counterfeiting and smuggling and fakes.

Consumer sensitization is an important catalyst to curb this menace and on this National Consumer Rights Week, 2013 CASCADE and CANS aimed to fight the menace of counterfeiting and smuggling with the support of consumers. It causes a loss to the government of \$8.5 million every single day- that is money which would otherwise be spent on schools, hospitals and public services. To eradicate this problem from its roots, we aim to generate awareness, as consumer awareness is the key to curb the growing menace of counterfeit goods, which is widespread across the globe.

Candle Light Congregation was organized to energize the consumers to take up the fight against Smuggling and Counterfeiting. Counterfeit goods have been an ongoing issue for decades, with everything from fake bags to sneakers to cosmetic to baby products is available popping up in tourist areas and street fairs around the country, they've proliferated online in recent years, mushrooming into a \$200 billion business globally.

With the idea of eradicating the menace of counterfeiting and smuggling CASCADE has stepped out with an event "Candle Light Congregation" which was held in Jaipur.

On 23rd December 2013, with an exciting idea to spread the word among youth, CASCADE enlightened the city with candles. Around 250 students took part in the race of 'whack a mole' to help the economy with massive interest and zeal, which has just not motivated the team but the whole city.

Mr. P C Jha, FICCI Advisor gave an overview on the growing menace of counterfeiting and smuggling and ask for consumer support to fight this problem and mentioned the purpose of the event, which was to raise the consumer awareness and translate

it into action to curb counterfeiting and smuggling. He also highlighted the magnitude of this menace which has stretched long and where government is facing immense loss in term of revenue and human are facing health and safety risk.

Hon'ble Justice Vinod Shankar Dave, Member Empowered Committee, Supreme Court, in his inaugural address appreciated CASCADE for their efforts and congratulating for raising such a good cause to generate the awareness. And also asked the consumers to join their hand and make the efforts worth to fight for.

Mr. Mohan Lal Gupta, M.L.A., Rajasthan Assembly, Ex- Mayor, Jaipur highlighted the extent of problem and stated it's huge and high time to work on it. Counterfeiting is ultimately a criminal enterprise, so it's a cat-and-mouse game with the authorities and brand owners chasing the counterfeiters. He mentioned that consumers are duped because he is not receiving his money's worth. At the same time the consumer ends up having lesser schools, hospitals and other facilities because government loses revenue due to counterfeiting and smuggling.

Smt. Jyoti Khandelwal, Mayor, Jaipur Municipal Corporation, Government of Rajasthan in her special address emphasized on the public risks due to ever increasing criminalization of the society due to black money being generated through these means. Moreover, one, who is not raising his voice, is himself a criminal as he is unintentionally helping terrorist in their crime by buying their fakes. If they are trying to coax you, then even you aren't recognizing them. So with humble request, she asked every youth to join the race.

Dr. Anant Sharma, National President, Consumers Confederation of India emphasized on the fact that there is a grave need to highlight the issue of counterfeiting and smuggling among the consumers at the moment as the problem is increasing on an alarming rate and this National Consumer Rights Week we together aims to eradicate this menace. And he said, not be a victim of this dirty game and spread the word across the country.

FICCI CASCADE as a supporter to the economy and being a pillar of government is trying to give its best to fight against this critical issue. FICCI CASCADE is arming the consumer with knowledge to make informed choices and awareness of the ill-effects of fake, counterfeit and smuggled products. Therefore, CASCADE and CANS make a step for consumers to realize the hazards posed by smuggled and counterfeits and emphasize on the fact that people must stop buying such products.

Cyclothon Fight Against Counterfeiting and Smuggling



With gutsy attitude and an amazing idea to spread awareness among the youth on the menace of counterfeiting and smuggling, Cyclothon was organised to unite people in a team to fight the menace. Cyclothon received an overwhelming response of around 250 students from across the city who peddled for the cause of "Fight the Fake" and "Quit Smuggling".

FICCI CASCADE organised a Cyclothon on the theme of Fight Against Counterfeiting and Smuggling on 29th December, 2013 at Ram Manohar Lohia Park, Lucknow.

According to the survey the lack of information sharing is often perceived to be one of the main obstacles in the fight against counterfeiters and smugglers. FICCI CASCADE has grabbed the right nerve by involving the youth in this movement. A walk of

cycle made a great difference and successfully made another effort to help the economy a bit.

Counterfeiters and Smugglers are malignant to the economy and industries and have been ruining the culture and system of the country, hence with a thought to discard such rotten apples from the society, one need to understand the extent to which it has destroyed the roots. With the above objective, FICCI CASCADE organised the Cyclothon, it was flagged by Mr. Deep Chand, Advisor, FICCI CASCADE; he showed his concern and encouraged the youth to ameliorate the situation. To eradicate the socio-economic evils of counterfeiting and smuggling from the society which are parasites to the economy and cause danger to the life of individuals.

Shri Bhagwat Sharan Gangwar Hon'ble Minister of State for SSI & EP, Government of UP in his inaugural address appreciated the work and exciting idea, which FICCI has taken. And he felt overwhelmed to see the passion and enthusiasm showed by students. He also stated that it's not an individual's fight but country's fight. He further accoladed the students with the certificates.

The magnitude of the problem of smuggling and counterfeiting is alarming and every individual must target at exterminating this demon from the society. The problem today is lack of passion and through such events awareness and passion is to be ignited among the consumers. FICCI CASCADE successfully involved every youth in this movement. The young generation proactively pledged to Peddle and Saddle this evil!!!

Seminar on IP Compliance In Software For MSMEs'



Ms. Gouri Thounaojam, Manager – Programs, India, BSA-The Software Alliance, Mr. Deepak Arora, Assistant Director, FICCI, Mr. Samir Shah, President, Rajkot Chamber of Commerce & Industry, Mr. Gokul Patel, President, Rajkot Engineering Association

Keeping the momentum of the Anti Piracy Campaign, which FICCI and BSA-The Software Alliance launched last year, a seminar on

importance of IP compliance in software was conducted on 17th December 2013 at Hotel Fern Residency, Rajkot.

The programme was commenced with the address of Mr. Deepak Arora, Assistant Director, FICCI IPR Division. It was followed by the address of Mr. Samir Shah, President, Rajkot Chamber of Commerce & Industry. Mr. Shah emphasized on the requirement of such programme for software industries in Gujarat. Mr. Gokul Patel, President, Rajkot Engineering Association, highlighted that importance of IP for the micro small and medium enterprises. Ms. Gouri Thounaojam, Manager-Programs, India, said, "Protection of intellectual property rights is a crucial aspect that will drive software innovation in India. It is also encouraging to see that there is a growing realization among many Indian SMEs that pirated software can have negative financial implications for their businesses in the long run, particularly if they are doing business with global companies."



Chander Shekhar Jeena
Secretary, Hologram
Manufacturers Association
of India (HOMAI)

CS Jeena is working in HOMAI since 2006 as Secretary and also serves as Editor of The Holography Times. He is member of Association of Certified Fraud Examiner (ACFE), USA & Global Association of Risk Professionals (GARP). He have completed its master degree in Mass Communication and Public relation.

Combating counterfeiting: Trade associations become proactive

1. Introduction:

Each and every product from a pencil to aircraft has a trade association formed with an aim to facilitate the business environment for its member companies. While they are playing an important role in modern and global economies, there are various hindrances which effect their sector growth. Product counterfeiting is one of them affecting all categories of products, but the impact is very high in sectors / product categories like fast moving consumer goods, pharmaceuticals, electronics, automobile, aircraft parts, beverages, etc.

2. Trade Association Roles against counterfeiting:

Big trade association such as FICCI, CII and ASSOCHAM have taken up the fight against menace of counterfeit at various forums highlighting the loss to the brand owner, government, society and to consumers. There have been seminars and meeting with government for law enforcement. These are all useful initiatives, but, it is now imperative that the work done so far is taken up to a new level, keeping mind the fact, that in this fight there is also a need to continuously look for new innovative solutions and approach by each Brand owner/ company.

2.1 Proactive Steps for future

Rather than wait and watch and then a reactionary step in fighting this menace, the associations ought to educate their members that **Prevention is better than Cure**, and they could consider taking the undernoted proactive steps to help their members protect themselves against the onslaught of counterfeiting.

2.2 Educating members about menace

Association website can play vital role in educating its members through their website. For example, FICCI one of biggest industry chambers is working on same line and recently formed a forum called **Committee against Smuggling and Counterfeiting Activities Destroying Economy (CASCADE)** with an aim to generate awareness on the impact of these menace amongst consumers and citizens. The forum has launched a portal "<http://www.ficci-cascade.com>" which clarified various issues on counterfeiting. The website educates its member and consumer via industry news, awareness brochure, and discussion forum. The website also updated latest and articles and best practices adopted by companies around the world against counterfeiting.

2.3 Educating Consumers

While educating the member companies lies under the responsibility of trade association, mass consumers can be educated in similar with the help of consumer's organisation/ associations.

2.4 Assistance to members in adopting authentication technologies

As there are over 100 product security technologies (holograms, digital watermarks, DNA taggants, security inks, serialisation etc.) used by manufacturer to combat counterfeiting, Trade association can provide guidelines to their members in order to find best optimal solutions

according to their needs. For example, Association such as Organisation of Pharmaceutical Producers of India (OPPI) have prepared and uploaded anti-counterfeiting guidelines for their members in order to help their members in establishing requirements that facilitate authentication and discourage counterfeiting.

<http://www.indiaoppi.com/publication.asp>.

2.5 Sharing of best Practices Against Counterfeiting

Trade Association can provide and update best practices amongst each other as it is easier for them to collect information in comparison with member individual member companies.

2.6 Encourage member to consider Brand Protection as CSR

They can ask each member to report to them and/ or in their annual reports to share holder, actions taken by them to mitigate risk to their brand that will also protect their consumers. This will be a good corporate governance practice and an excellent CSR. Such reports will strengthen Trade Association's case for stricter law enforcement, as Trade Association can now first show what their members have done and what they expect in turn from the law enforcement agencies. The excellent example set by GlaxoSmithKline can be seen at

<http://www.gsk.com/responsibility/>.

2.7 Seminar / Exhibitions

The Trade association can arrange seminar on counterfeiting and corporate responsibility. Along-with the conference there can be exhibition of anti-counterfeiting / anti-piracy technologies. Trade association can take help of authentication technologies association in this regard.

2.8 Encourage member to adopt best IPR practices & standards

As a further initiative, the industry associations should also build an environment that respects intellectual property. Members should be encouraged to patent their innovations so that they are able to reap the benefits of their research and development as well as to adopt latest ISO standards to curb counterfeiting. For example ISO 12931 titled 'Performance criteria for authentication solutions used to combat counterfeiting of material goods' which is recently introduced by International Standards Organisation.

3. Conclusion

In conclusions, it would be apt to say that an industry association is formed to serve the cause of its members at large and one of the greatest threats today to any successful products is the counterfeits and lookalike products. An industry association should look within and decide whether it is doing all that it can to protect its members. In case any industry association feels that it needs some additional information and advice, the Hologram Manufacturers Association of India will be more than happy to help in their endeavours to fight counterfeiting. Please feel free to write to us at info@homai.org.

Awareness through Art



*FICCI CASCADE
wishes you a Very
Happy New Year 2014!!!*

International News

Crackdown on oil smuggling begins

16th December, 2013 | Manila Standard today

SAN FERNANDO CITY -- The new police chief of the Ilocos Region began a crackdown on smuggling of oil products into the region through the Poro Point Freeport Zone. Police Chief Supt. Moro Virgilio Lazo said he will work in tandem with the Philippine Ports Authority and the Bureau of Customs in running after the smugglers in an interview at Camp Gen. Florendo after the command was turned over to him by outgoing regional police chief Ricardo Marquez. "We will first countercheck the accuracy of the reports," said the new police chief whose regional headquarters stand on top of a hill overlooking the Freeport zone.

<http://manilastandardtoday.com/2013/12/16/crackdown-on-oil-smuggling-begins/>

Counterfeiting Operations: 7 arrested for fake bills

16th December, 2013 | The Republic

A counterfeiting operation that distributed more than \$200,000 in fake \$100 bills was brought down in part after phony money used at five Columbus-area stores was confiscated, police said. Four Indianapolis residents were arrested Dec. 1 on the southeast side of Columbus on forgery charges, accused of passing the fake bills in Edinburg and Columbus. The counterfeiting activity, which occurred in recent months, took place primarily in central Indiana, police said. Additionally, a Columbus man was among three people arrested during a Dec.

http://www.therepublic.com/view/local_story/Counterfeiting-Operation-_1387252359

Nine plead guilty in Port Newark counterfeit smuggling operation

17TH DECEMBER, 2013 | N.J. NEWS

Nine members of a counterfeit-goods smuggling operation - which allegedly imported fake brand-name handbags, shoes, perfume and other items from China to Port Newark-Elizabeth Marine Terminal - have pleaded guilty in the past two weeks to various roles in the scheme, authorities said today. Some 27 defendants were charged last year in what authorities call one of the largest counterfeit goods smuggling and distribution conspiracies ever prosecuted by the Department of Justice.

http://www.nj.com/news/index.ssf/2013/12/nine_plead_guilty_in_port_newark_counterfeit_smuggling_operation.html

National News

A bargain gift? Careful, it could be counterfeit

5th December, 2013 | Consumer Affairs

This holiday shopping season there have been some eye-popping bargains so far. But mixed in with all these great deals are some not-so-great offers. Yes, the price is rock bottom but the merchandise is a knock-off, a counterfeit version of the brand you think you are getting. "Almost everyone wants a good deal and wants to save money, but buying counterfeit poses serious health and safety risks, not to mention loss of revenue to businesses," said Mississippi Attorney General Jim Hood.

<http://www.consumeraffairs.com/news/a-bargain-gift-careful-it-could-be-counterfeit-120513.html>

Counterfeiting: don't let it ruin your Christmas

14th December, 2013 | Real Business

It has been reported that the sale and distribution of counterfeit goods seems to escalate during the Christmas season. Counterfeit goods are everywhere, from fake clothing and detergents to poor quality toys which is particularly problematic at this time of the year. As a consumer, you may choose to buy counterfeit goods and therefore are prepared to take the risk that the goods are in some way sub-standard but what about the increasing number of us who end up with counterfeit goods believing we had purchased the genuine item?

<http://realbusiness.co.uk/article/25056-counterfeiting-dont-let-it-ruin-your-christmas>

Details emerge about Indy counterfeiting ring

16th December, 2013 | INDYSTAR

A counterfeiting operation busted last week in Indianapolis used high-quality printers, laminating machines and even a counterfeit bill detector to create hundreds of thousands of dollars in bogus money, federal officials said today. The U.S. attorney's office announced federal charges against 24-year-old Brandon Clark, who prosecutors say ran the criminal enterprise and would sell a fake \$100 bill for \$20. Clark's residence on Riley Avenue on the city's Eastside was searched by investigators last Tuesday.

<http://www.indystar.com/story/news/crime/2013/12/16/details-emerge-on-indy-counterfeiting-ring/4041699/>

Inter-College Competition Youth Against Counterfeiting and Smuggling

22 January, Bihar

“Freedom from Fakes and Smuggled goods”

FICCI CASCADE is organizing a youth against counterfeiting and smuggling Inter-College competition in Bihar, to increase awareness among the youth and motivate them to fight against the menace of counterfeiting and smuggling. FICCI CASCADE has come up with the movement against counterfeit and smuggled goods and looking forward for active participation of students in

the interest of nation's economy and security. Counterfeiting and smuggling are ultimately a criminal enterprise, which is not just making chaos among people but also damaging business economy. Therefore, the youth festivals focus to raise the interest to fight against such nuisances.

Facebook Competition on Capturing Fakes & Smuggled

CASCADE is organizing a Competition on Capturing Fakes & Smuggled on FICCI CASCADE Facebook page. The idea is to engage the creative minds on the problem and deepen the understanding of "grey markets" for counterfeit, smuggled and pirated goods and their impact on the society.

Send in their entries in the form of posters, slogans, paintings/drawing and comics and caricatures.

Last day of submission: 15th January, 2014 at 11:59 pm

Entries to be send at cascade@ficci.com

Results will be announced on 30th January, 2014, on the FICCI CASCADE page on Facebook

Prizes:

1. First Prize- Rs. 35,000 (Rupees Thirty Five Thousand Only)
2. Second prize- Rs. 25,000 (Rupees Twenty Five Thousand Only)
3. Third prize- Rs. 15,000 (Rupees Fifteen Thousand Only)
4. People's favourite- Rs. 25,000 (Rupees Twenty Five Thousand Only)

Consumer Rally Fight against Counterfeiting and Smuggling

January, Jaipur

FICCI CASCADE as a part of its Consumer Awareness programmes, educates 100's of people of various categories on the subject of consumer interest. CASCADE believes in the empowerment of consumers which can be dealt by undertaking a sustainable national programme for generating and strengthening consumer awareness on the menace of counterfeiting and smuggling.

FICCI CASCADE is organising a Consumer Rally in Jaipur on the theme of Fight against Counterfeiting and Smuggling in January, 2014 to sensitise and receive consumer support on the growing issue of counterfeiting and smuggling.

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