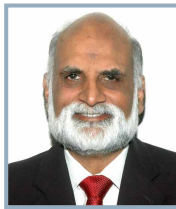




## Chair's Message



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

Essentially, the problem to combat smuggling and counterfeiting, which CASCADE is addressing and working to resolve, calls for collective actions. We, therefore, joined hands with the Department of Consumer Affairs to celebrate the 'National Consumer Rights Week, 2014'. On this occasion, we have endeavoured to undertake a socially engaging multi-faceted activity involving industry, media, consumer organisations, enforcement agencies and the youth. CASCADE celebrates this National Consumer Rights Week with a youth festival and a police training programme. While the youth are vastly capable of designing innovative solutions to the challenges we face in the form of illicit trade like counterfeiting and smuggling, effective enforcement is a key to strengthen the objective and to eliminate the menace. CASCADE continues to engage with these key stakeholders in the fight against illegal commercial activities and to mobilise their power to bring the essential change in our society.

### NEWS FLASH

#### The true cost of cheap tobacco on the streets of Plymouth

November 20, 2014 | Plymouth Herald

**T**OBACCO smuggling is supporting criminality in the city and "robbing taxpayers of millions". In the last 12 months, Trading Standards officers in Plymouth has seized nearly £13,000 worth of tobacco and cigarettes. Each year HMRC and Border Force prevent billions of cigarettes and hundreds of tonnes of illegal tobacco entering the UK. While some non-UK duty paid (NUKDP) tobacco is brought into the country legitimately by smokers returning from abroad for their own consumption, some is smuggled into the UK solely for illegal sale. This illegal activity is undertaken by individuals, right through to organised criminal gangs (OCGs).

<http://www.plymouthherald.co.uk/true-cost-cheap-tobacco/story-24567960-detail/story.html#ixzz3JbmKUahz>

### FICCI CASCADE in NEWS

#### Seminar on Curbing Counterfeiting and Smuggling – An Imperative for Indian Economy

November 29, 2014 | Bhubaneswar



## Seminar on “Curbing Counterfeiting and Smuggling – An Imperative for Indian Economy”

Bhubaneswar, 28 November 2014



FICCI CASCADE organized a seminar in Bhubaneswar on "Curbing Counterfeiting and Smuggling - An Imperative for Indian Economy" on 28th November, 2014. The seminar brought together experts to raise concerns over the growing illicit trade and to create large-scale awareness among the impacted segments of the society. Counterfeit trade has attracted considerable attention among trade associations, government and enterprises. Therefore, as a support to the cause, the seminar witnessed a sizeable participation of over 100 delegates who were united in their fight against this twin menace.

The seminar was inaugurated by **Mr. Ratnakar Rout**, IAS, and Director of Consumer Affairs cum Additional Secretary, Food and Civil Supplies & Consumer Welfare Department, **Government of Odisha**. He said that the Government of Odisha would be keen to work with FICCI in its initiative to spread awareness on the ill effects of counterfeiting and smuggling. Stressing on the need to make the penal laws more stringent and take deterrent actions against counterfeiters and smugglers, he sought the support of all stakeholders, particularly the consumers, to help bring such illegal traders to the notice of his Department.

**Mr. J. K. Mohanty**, Member, FICCI Odisha State Council, welcomed the dignitaries and highlighted the objectives of the seminar like generating awareness, interaction with law enforcement agencies and the need for sharing best practices.

**Mr. Deep Chand**, Advisor FICCI CASCADE and former Special Commissioner of Police, Delhi, in his address stated that international trade in counterfeited and smuggled products was on the rise; with counterfeiting and smuggling impacting virtually every product category these days. They are being produced and consumed in all economies; Asia being the largest region.

**Ms. Kalpana Reddy**, First Secretary for IP, U.S. Patents and Trademarks Office, in her address, highlighted the legal options

available in the United States - civil, criminal and administrative - for enforcement of Intellectual Property Rights. She elaborated on the various dimensions of IP crimes, how such illegal activities harmed the rights holders, and led to revenue loss to Governments, public health and safety concerns etc. She observed that right holders should ensure their own rights through formal registration of IPR, before expecting the Government to protect of their rights.

The seminar also marked the enthusiastic and encouraging support of the consumer and media organizations. **Mr. Satakadi Hota**, Chief Editor, SamayMedia in his address stated that media must fearlessly publish relevant information on the rising incidence of illicit trade practice like counterfeiting & smuggling in Odisha. The vernacular media, in particular, must take initiative to reach out to the consumers especially in the interior parts of the state. **Mr. Kedar Nath Jena**, Founder & President of Federation of Consumer Association of Odisha, remarked that consumers were the ultimate victims of counterfeiting and smuggling, and their rights were being violated by counterfeiters and smugglers. Industry should actively support and involve itself in the consumer awareness drive's that are underway and highlight the impact of consuming counterfeit and fake products.

The subject of counterfeiting and smuggling is both enormous and complex, and there is a need to target and educate the masses to buy genuine products. During the Panel Discussion Session, senior enforcement officials interacted on the "Intellectual Property Enforcement Issues against Smuggling and Counterfeiting" with respect to the role of enforcement agencies in combating smuggling and counterfeiting. **Mr. S. P. Panda**, Deputy Commissioner, Central Excise, Customs & Service Tax, Bhubaneswar, elaborated on the enforcement set-up put in place by the Customs Authorities and the various measures initiated to curb smuggling activities in the country. **Mr. P. K. Bhoi**, Superintendent of Police, Special Protection Group, Bhubaneswar, underlined the need for greater involvement of industry and consumers in registering complaints on illegal trade activities with the police authorities.

The discussions concluded with a shared view that the problem of counterfeiting and smuggling was multifaceted and complex. Addressing the issues would call for a regular interface among the stakeholders in areas like government policy, laws and enforcement; increasing engagement with the industry and, most importantly, creating awareness in the society on the need to curb counterfeiting and smuggling.



**Mr. Manoj Kochar**

President, Authentication Solution Providers' Association (ASPA)  
Board Member, International Hologram Manufacturers Association (IHMA)  
Director, Holoflex Ltd.

Mr. Manoj Kochar was appointed as the President of Authentication Solution Providers' Association in 2012 and since then he has been instrumental in broadening the scope of the Association to include a variety of authentication technologies. Additionally, he is the Board member of the globally recognized International Hologram Manufacturers Association (IHMA) which promotes and regulates holographic and allied anti-counterfeiting and brand protection solutions.

## EMPOWER CONSUMER WITH LATEST GENERATION AUTHENTICATION SOLUTION'S

### CONSUMER PROTECTION IN INDIA

In India, 24th December is celebrated as "National Consumer Rights Day", since the Consumer Protection Act, 1986 was enacted on this day. The Consumer Protection Act is based on United Nations guidelines with the objective of providing better protection of consumers' interests. The Act envisages the promotion and protection of the following rights of consumers:

**Right to Safety:** This means right to be protected against the marketing of goods and services, which are hazardous to life and property. The purchased goods and services availed of should not only meet the consumers' immediate needs, but also fulfil long term interests. Before purchasing, consumers should insist on the quality of the products as also the guarantee of the products and services. They should preferably purchase quality marked products such as ISI, AGMARK, etc.

**Right to be informed:** The right to be informed about the quality, quantity, potency, purity, standard and price of goods and services, as the case may be, to protect the consumer against unfair trade practices.

**Right to Choose:** The right to be assured of access to a variety of goods and services at competitive prices.

**Right to be Heard:** The right to be heard and assured that consumer interest will receive due consideration as appropriate.

**Right to Seek Redressal:** The right to seek redressal against unfair or restrictive trade practices or unscrupulous exploitation of consumers.

**Right to Consumer Education:** The right to consumer education about basic information related to the product.

### THE MISSING LINK

In India, lack of consumer awareness is a major problem. In most of the cases, consumer are not aware of their right - they do not take the bill, do not check the primary details of product such as expiry date, manufacturing date etc. However, with the Government's continuous efforts and promotions, urban consumers are educated and now check these details.

Still, there is a missing link, as most of the consumer can only check the quality of goods and products with the marking of ISI/AGMARK. However, with the advancement in digital

technology it is very easier for unscrupulous and unethical manufacturer to produce fake ISI/AGMARK products. This is also the case in most of the products which are outside the certification scheme of BIS. This leads to fooling consumer as he is unable to differentiate between a genuine and a fake product.

To eradicate this problem, there needs to be a strategy as follows;

- The brand owners and the government, wherever appropriate, should consider adoption of ISO:12931 - Performance criteria for authentication solutions used to combat counterfeiting of material goods.
- Depending on the learnings from this standard, they need to adopt an authentication solution incorporating secure and difficult to simulate printing features and optical technologies such as a hologram. Depending on the product needs, this authentication solution may be integrated with track and trace solutions such QR code, bar-code and serialisation.
- The Government and Brand owners should communicate to the consumers about the authentication features on their product and the means to verify those features.
- At the consumer end, the consumer can check the details of this product by physical verification such as visual checking and cross verification of product details via website and SMS verification.

By adopting authentication solutions a brand owner and authorities can empower their consumers to identify a genuine product. This will increase the consumer's confidence in the product quality and leads to product loyalty, and the direct benefit of this is enhancement of brand value. The government also gains in terms of higher revenue by realization of taxes and duties that a genuine product manufacturer pays, but the counterfeit producer never does.

A successful business is the one that responds to the voice of the consumer. In today's world of free information the brand that connects with the consumer will increase its responsiveness and therefore its chances of success and longevity. The strategy of empowering consumers is a sure shot way to increase manufacturing efficiencies and making India truly a global manufacturing hub and realize our dream of 'Make in India'.

## International News

### Smuggling a 'national disease'

9 November 2014 | Vietnam Net

Tin, who was speaking at a forum organised by the Government's web portal, said staff shortages and outdated equipment had made it difficult for agencies to combat smugglers. However, he promised that stronger efforts would be made. Agencies investigating smugglers have dealt with 146,000 cases so far this year, collecting about VND9 trillion (US\$424 million) in tax and VND500 billion (\$23.8 million) in confiscated goods, according to a report from the National Steering Committee on Combating Smuggling, Commercial Fraud and Counterfeit Goods.

<http://english.vietnamnet.vn/fms/society/115681/smuggling-a-national-disease.html>

### More like FAKE-book: How nearly a quarter of fashion and luxury ads on the social media website hawk counterfeits

18 November 2014 | Daily Mail

A new study has revealed that a quarter of ads for luxury goods shown on Facebook are selling counterfeit products. The study was conducted by Italian cyber-security researchers Andrew Stroppa and Agostino Spechhiarello, who analyzed 1,000 ads on Facebook to reach their finding - and urged the social network to do more to protect consumers.

According to Bloomberg, 24 per cent of the fashion and luxury ads on Facebook hawk fake goods, even though the social media website claims it is making a conscious effort to try to remove these ads.

<http://www.dailymail.co.uk/femail/article-2839547/More-like-FAKE-book-nearly-quarter-fashion-luxury-ads-social-media-website-hawk-counterfeits.html#ixzz3JW36oMV1>

### Up In Smoke: Government Funding Vanishes, Smoking Rates Rise

19 November 2014 | Gotham Gazette

After years of decline, smoking is on the rise in New York City. While pointing to reductions in state and city spending on anti-smoking campaigns, advocates hope this Thursday, November 20, will be a turning point as smokers in New York and elsewhere are encouraged to decline lighting up for American Cancer Society's Great American Smokeout. Anti-smoking groups hope smokers will keep their resolve going after Thursday and bring down New York City's smoking rate, which crept up from 14 percent in 2010 to 16 percent in 2013 despite bans on smoking in bars, restaurants and other places, and one of the highest taxes on a pack of cigarettes in any municipality.

<http://www.gothamgazette.com/index.php/government/5442-up-in-smoke-government-funding-vanishes-smoking-rates-rise>

## National News

### Online markets are source of counterfeit products, say experts

December 01, 2014 | Business Standard

Say the genuineness of the products supplied by the online players has to be verified. Questioning the genuineness of the products sold by the online retailers, apex industry chamber Federation of Indian Chambers of Commerce and industry (FICCI) has sought scrutiny of these items to check counterfeiting.

"Online markets are also source of distributing smuggling and counterfeiting products. The genuineness of the products supplied by the online players has to be verified. One cannot deny that they do not have counterfeit products," Deep Chand, Advisor, FICCI CASCADE (Committee Against Smuggling and Counterfeiting Activities Destroying Economy) told media persons on the sidelines of a seminar on Curbing Counterfeiting and Smuggling - An Imperative for Indian Economy, here.

[http://www.afaqs.com/news/story/42635\\_Online-markets-are-source-of-counterfeit-products-say-experts](http://www.afaqs.com/news/story/42635_Online-markets-are-source-of-counterfeit-products-say-experts)

### IMFL smugglers make a quick buck

November 8, 2014 | TheHindu

There has been an increase in smuggling in of Indian Made Foreign Liquor (IMFL) from Mahe after the State government decided to close down bars and observe Sunday as "dry day." Since the check-posts between Mahe and Kozhikode mainly screen goods movement, small players in the trade, who mainly make use of private vehicles, manage to cart away the product for illegal trade. The smugglers thrive as there is great demand from buyers who are ready to pay the asked sum. The youth too have started falling prey to this quick means of profit. Prohibitionists point out that hundreds of vehicles shuttle between Kannur and Kozhikode via Mahe. The police and Excise Department find it difficult to screen all the vehicles.

<http://www.thehindu.com/news/cities/kozhikode/imfl-smugglers-make-a-quick-buck/article6577888.ece>

### Sri Lanka-born ISI Spy Gets 5-yr Term in Counterfeit Case

November 29, 2014 | Indian Express

Sri Lankan national and suspected ISI agent, Zahir Hussain, whose arrest in April had led to the unearthing of a Pakistan spy network here, was convicted for five years by a special court here for smuggling counterfeit currency. Special judge M Moni pronounced the verdict, a day after Hussain pleaded guilty in the court, confessing that he had entered India at the behest of two Pakistani embassy officials based in Colombo.

[http://www.newindianexpress.com/states/tamil\\_nadu/2014/11/29/Sri-Lanka-born-ISI-Spy-Gets-5-yr-Term-in-Counterfeit-Case/article2546258.ece](http://www.newindianexpress.com/states/tamil_nadu/2014/11/29/Sri-Lanka-born-ISI-Spy-Gets-5-yr-Term-in-Counterfeit-Case/article2546258.ece)

## Facebook Slogan Writing Competition on: “Fight Against Counterfeiting and Smuggling”

December 31, 2014, Ongoing Event

FICCI CASCADE is organizing a Slogan Writing Competition on "Fight Against Counterfeiting and Smuggling" on the FICCI CASCADE Facebook page. The idea is to engage the creative minds on the problem and deepen the understanding of "grey markets" for counterfeit and smuggled goods and their impact on the society.

The competition is open to the public at large. Entries will include slogans on counterfeiting and smuggling of

products. The last day for acceptance of entries is 31st December, 2014 at 11:59 pm and winners will be announced on 15th January 2015, on the FICCI CASCADE page on Facebook. Entries are accepted only in word format, to be mailed only to [cascade@ficci.com](mailto:cascade@ficci.com). There will be a separate category called "People's Favourite", where the slogan getting maximum likes will be awarded plus first 50 entries will be awarded with a magic mug and the winning entries will be given cash prizes.

## Countering Illicit Trade- Strengthening Abilities To Ensure Economic Growth & Consumer Safety

January 6, 2014 | Delhi

FICCI CASCADE in collaboration with the Department of Consumer Affairs is organizing a seminar on "Countering Illicit Trade- Strengthening Abilities to Ensure Economic Growth & Consumer Safety" on January 06, 2015 at FICCI, Federation House, New Delhi. FICCI CASCADE believes that awareness and outreach are essential elements in building a proactive strategy to reinforce consumer rights and that

there is a need for consumers to demand their right of genuine and authentic products. The meet will focus on spreading awareness and will enable a dialogue between the stakeholders on the alarming magnitude of unfair trade practices such as counterfeiting and smuggling which has a huge socio economic impact.

## Awareness through Art



### Contact Us

Dipankar Barkakati

Additional Director - FICCI  
[dipankar.barkakati@ficci.com](mailto:dipankar.barkakati@ficci.com)

Join us on FICCI CASCADE Facebook page:  
<https://www.facebook.com/#!/FicciCascade>