

Bencil Writes

August '14 edition



 **From the desk of Rajeev Surana**

August is a month full of festivities with our Jain festival, Paryushan underway and another big one, Ganesh Chaturthi round the corner which brings out the best in people and livens up the mood.

Of late, we have been receiving a lot of calls from Innovators & Entrepreneurs who have innovated and solved a problem wanting us to help them either find a buyer or market their invention. Also the profile of the people getting in touch with us is getting more interesting right from Grass root Innovator, Professor to Entrepreneur and even Industry Professionals from consulting background.

This along with the changed outlook of large companies who are looking at working with start ups and being part of the innovation ecosystem augurs well for Innovators & Entrepreneurs.

Hope you enjoy reading Bencil Writes as much as we enjoy publishing it. Do share your comments and feedback on helpdesk@scinnovation.in

 **Share a story: Point of View**

Counterfeits and its Impact on Consumers

This month's newsletter focuses on the very important aspect of counterfeits and fakes which while providing consumers the thrill of owning copy of a well known brand also puts them at risk in terms of safety, comfort and the joy of owning an original product.

Counterfeiting is the practice of manufacturing goods, often of inferior quality, and selling them under a brand name without the brand owner's authorization. Generally, counterfeit goods are sold under a trademark that is identical to or substantially indistinguishable from the brand owner's trademark for the same goods, without the approval or oversight of the trademark owner. Many well-known brands, spanning various industries, are victims of counterfeiting. The manufacturing of counterfeits is most prevalent in developing countries with strong, inexpensive manufacturing capability, including many nations throughout Asia (such as China and Taiwan), although counterfeit goods are sold around the globe.

The word counterfeit frequently describes both the forgeries of currency and documents, as well as the imitations of clothing, jewelry, purses, CDs, baby formula, handbags, shoes, pharmaceuticals, aviation and automobile parts, watches, electronics, software, works of art, toys, movies. Apparel and accessories accounted for over 50 percent of the counterfeit goods seized by U.S Customs and Border Control.



The popular Gucci bag with the real one on left hand side and fake on the right

According to the study of Counterfeiting Intelligence Bureau (CIB) of the International Chamber of Commerce (ICC), counterfeit goods make up 5 to 7% of World Trade. The FAA (Federation Aviation Administration) estimates that 2% of the 26 million airline parts installed each year are counterfeit (that equals 520,000 parts). In 1976, counterfeit transistors were found among parts destined for use on tests of a NASA space shuttle.

Counterfeiting is illegal. In most countries, counterfeiting is punishable by criminal laws as well as civil laws, with penalties ranging from injunctions to damages to imprisonment. The negative effects of counterfeiting, fakes and manufacture of spurious goods has become an increasingly dangerous menace to consumer choice, health and the economy. Though this problem has always existed, now more than ever, counterfeit and spurious products have invaded every aspect of our lives. From products such as radios, geysers, computer software's & phones to food items, beverages, cosmetics and medicines, all have been illegally duplicated, copied and counterfeited.

In 2007, the University of North Carolina found that 77 percent of fish labeled as red snapper was actually tilapia, a common and less flavourful species. In 2008, U.S. food safety officers seized more than 10,000 cases of counterfeit extra virgin olive oil, worth more than \$700,000, from warehouses in New York and New Jersey. Olive oil is considered one of the most frequently counterfeited food products. It is estimated that about 10% of medicines worldwide are counterfeit. High priced lifestyle medicines like drugs for treating erectile dysfunction, fat reducers and sleep remedies, in addition to antibiotics, anticancer drugs, and inexpensive versions of painkillers or histamines can be counterfeited. The World Health Organization (WHO) estimates that over 30% of pharmaceuticals in developing countries are fake.

According to a study on the fake automotive spare parts, the market in India is estimated to be around Rs.2,500 crore, which is approximately 35 percent of the total auto parts sold in the country. It is estimated that around 20 percent of total road accidents in India can be either directly or indirectly attributed to counterfeit automotive parts.

Packaging can be engineered to help reduce the risks of package pilferage or the theft and resale of products. Some package constructions are more resistant to pilferage and some have pilfered indicating seals. Counterfeit consumer goods, unauthorized sales, material substitution and tampering can all be reduced with these anti-counterfeiting technologies. Packages may include authentication seals, use security printing, anti-theft devices such as dye-packs, RFID tags, or electronic article surveillance tags that can be activated or detected by devices at exit points and require specialized tools to deactivate.

Anti-counterfeiting technologies that can be used with packaging include:

- Taggant fingerprinting - uniquely coded microscopic materials that are verified from a database
- Encrypted micro-particles - unpredictably placed markings (numbers, layers and colours) not visible to the human eye
- Holograms - graphics printed on seals, patches, foils or labels and used at point of sale for visual verification
- Micro-printing - second line authentication often used on currencies
- Serialized barcodes
- UV printing - marks only visible under UV light
- DNA tracking - genes embedded onto labels that can be traced

FICCI set up a Committee against Smuggling and counterfeit activities destroying the Economy (CASCADE). Several steps are being taken by FICCI CASCADE and the government to create large-scale awareness among consumers

- A joint publicity campaign has been started in association with the Ministry of Consumer Affairs under the 'Jago Grahak' umbrella to create awareness among consumers
- Capacity building by way of training programs and workshops for various enforcement agencies such as Police, Customs and Judiciary including a recently conducted program for judges and judicial officers in Chandigarh
- Visiting schools and teaching students the effects of counterfeits and piracy by holding debates and essay competitions

Counterfeiting has attracted both organized and petty criminals who have not only derived huge profits from this trade but have also used it, both as a means to invest the proceeds of crime and to finance other crimes.

What's new @ Scinnovation

We are glad to share that we are going to shortly having a presence in East India by partnering with an associate to help Innovators & Entrepreneurs based in West Bengal, Orissa and other states which are often ignored.

Also we have come up with a new offering for our customers titled 'Stop fakes from entering into India: Get your IPR registered with Customs' which will provide a full solution to clients facing the menace of counterfeits and fakes imported into India, be it luxury goods, well known consumer brands or even high end technology products.

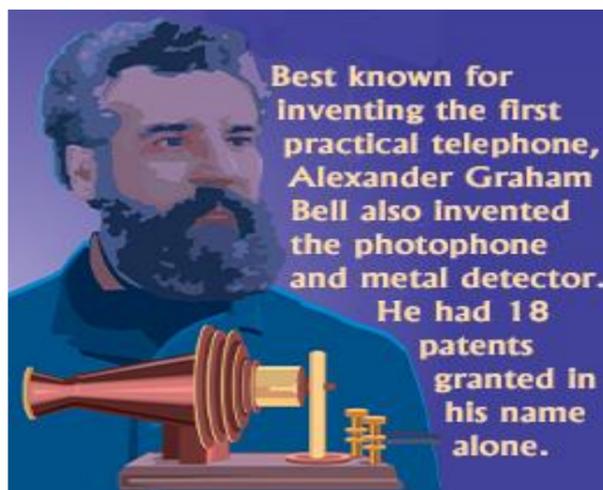
Events in Sept – Dec 2014

- 44th World Intellectual Property Congress / Toronto / 14 Sept 2014 – 17 Sept 2014
- GIL (The Global Community of Growth, Innovation & Leadership) / Mumbai/ 23 Sept 2014
- IP Business Congress Asia / Shanghai / 07 Dec 2014 – 09 Dec 2014

Trivia

The Chinese changed the world forever with the invention of paper around 140 B.C., but what many people don't know is that the Egyptians had developed an admirable substitute thousands of years earlier from the papyrus plant. This stiff, reed like plant grew in the marshy areas lining the Nile. It's tough, fibrous interior proved ideal for making durable sheets of writing material, along with sails, sandals, mats and other necessities of ancient Egyptian life. After the sheets were made, they were often combined into scrolls, which were then filled with everything from religious texts to literature and even music. Egyptians kept the process of manufacturing papyrus a closely guarded secret, allowing them to trade papyrus sheets throughout the region.

Think about it...



About us



Scinnovation Consultants Pvt. Ltd. is an Intellectual Property protection, consulting and monetisation firm based out of Mumbai, India.

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'Protect Your Ideas' handbook on IP available on Rediff, Infibeam, Ebay.in for sale

