

# Partnerships and linkages for IP protection and enforcement

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# Introductions

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# Background: The Counterfeit Economy

- In 2016, international trade in counterfeit and pirated products was estimated to be as much as \$509 billion – up from \$461 billion in 2013, representing 2.5% of world trade.
- In 2019, the OECD estimated that trade in counterfeit goods comprised 3.3% of global trade.
- In August 2022, Forbes estimated that the combined global market for counterfeit goods was over \$1.7 trillion, making it one of the world's largest economies.
- According to the World Health Organization, counterfeit drugs are the world's most lucrative counterfeit goods, with a global market worth approximately \$200 billion. Africa accounts for around 42% of the world's cases.



# Collaboration to Combat Counterfeiting

- Effective enforcement of intellectual property rights (IPRs) is a critical component in the fight against counterfeiting.
- As the counterfeit economy has become increasingly global, borderless and digital, stakeholders have recognized the need for partnerships and linkages to effectively protect and enforce IPRs.
- Many national and international IP enforcement organizations have forged partnerships with other governmental institutions, law enforcement and private sector organizations to coordinate on and strengthen IP enforcement efforts.



# IPR Enforcement Partnerships: Common Themes and Trends

- ❑ Collaboration to build public awareness of the importance of IPRs and the dangers of counterfeit goods.
- ❑ Coordination with law enforcement and customs officials to target organized counterfeiting: information-sharing and pooling of investigative resources.
- ❑ Cross-border efforts to build institutional capacity and ensure that enforcement institutions are equipped for the challenge.
- ❑ Involvement of industry stakeholders, including IP owners, to set priorities, help with IPR enforcement, and develop consumer-facing policies that can reduce the economic incentives for counterfeiting.

# Case Study: Flash-IPPA (Illicit Pharmaceuticals in Africa)

- Collaboration between INTERPOL and AFRIPOL to combat counterfeit sale of pharmaceuticals, including epilepsy treatments, COVID tests and COVID masks.
- Involved 20 African nations: Algeria, Benin, Botswana, Central African Republic, Congo, Eritrea, Ethiopia, Gabon, Ghana, Libya, Kenya, Mauritius, Namibia, Niger, Rwanda, Sudan, Togo, Uganda, South Africa and Zimbabwe.
- **Focus:** Two month-operation in 2021 using data sourced from INTERPOL's global communications network to target crime networks producing and distributing illegal drugs and medical equipment across Africa.
- **Result:** Seizure of more than 2 million counterfeit tablets, 1,600 counterfeit COVID tests and more than 200,000 counterfeit COVID masks.



# Case Study: Flash-IPPA (Illicit Pharmaceuticals in Africa)

*“The results of Operation Flash-IPPA are testimony to the strength of AFRIPOL- INTERPOL collaboration, and the importance of INTERPOL support in boosting AFRIPOL’s position as the lead African institution for preventing and combating transnational organized crime, terrorism and cybercrime. Operation Flash-IPPA will boost AFRIPOL’s intelligence collection for subsequent use in member state investigative collaboration.”*

- Dr. Tarek Sharif, Executive Director of AFRIPOL

# Case Study: Operation Afya II (Southern Africa)

- A joint effort between INTERPOL and AFRIPOL across Southern Africa
- Participating countries: Angola, Botswana, Eswatini, Lesotho, Malawi, Mozambique, Namibia, South Africa, Tanzania and Zimbabwe.
- **Focus:** Trafficking of illicit health products, and other counterfeit goods including alcohol, tobacco and foods.
- **Result:** Identified 179 suspects, seized products worth USD 3.5 million
  - Over 4,000 inspections conducted in warehouses, pharmacies and other premises in rural areas.
  - Mozambique was particularly successful. Intercepted more than 32,300 illicit pharmaceutical products, including analgesics, antibiotics, sedatives, dietary supplements, antifungal medicines, and ovulation checks.



# Case Study: Operation Afya II (Southern Africa)

*“The participation of Mozambican Law Enforcement Agencies in Operation Afya II helped increase the level of synergies in combating criminal organization groups that are dealing with pharmaceutical crimes and other harmful products”*

– Mozambique’s National Criminal Investigation Service (SERNIC)

# Case Study: SADC & US Department of Commerce

- Southern African Development Community (SADC)
  - Angola, Botswana, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia, and Zimbabwe.
- **Focus:** Commercial Law Development Program (CLDP) of US Department of Commerce to help SADC member states achieve compliance with TRIPs, 1999-2001
- **Result:** Assisted SADC member states in moving their IPR regimes towards TRIPs compliance, including enforcement mechanisms. Also worked with Angola, Mozambique and South Africa in improving judicial enforcement of IPRs.

# Case Study: SAKPATENTI (Georgia)

- As of 2010, an estimated 95% of software for sale in Georgia was pirated and illegal.
- A private sector organization named the “Brand Protection Group” comprising 11 multinational and local companies operating in Georgia estimated that its members lost approximately USD 300 million due to counterfeiting.
- In response, the National Intellectual Property Center of Georgia (SAKPATENTI), a state agency responsible for granting IPRs and carrying out national IP policies, ramped up efforts against counterfeiting by using government resources more efficiently.
- **Focus:** Institution-building related to IP enforcement, capacity building for state officials responsible for IP enforcement, and raising overall public awareness to empower the private sector to protect IPRs.

# Case Study: SAKPATENTI (Georgia)

## □ **Results:**

- In March 2015, the Interagency Coordination Council (Council) for IPR Enforcement was established to enable coordination among government agencies responsible for IPR enforcement.
- SAKPATENTI adopted a plan to provide training in IPR enforcement
- SAKPATENTI holds free-access seminars and training activities to promote public awareness of IPR enforcement mechanisms.
- Immediate impact on counterfeit activities: In 2015 alone, the Investigation Service of the Revenue Service of Georgia initiated 35 criminal cases involving IPR infringement – which is more than the total number of criminal cases investigated in the prior decade.
- There is anecdotal evidence that sales of counterfeit goods have reduced by more than 65 per cent in Georgia.

# Case Study: CNAC (Italy)

- An increase in counterfeiting in recent years has been tackled by public-private partnership through the National Anti-counterfeiting Council (CNAC).
- CNAC was set up at the Ministry of Economic Development in 2010 and its members include 11 Ministries and the Association of Italian Municipalities (ANCI). Representatives of enforcement agencies, business associations and consumers associations are also involved.
- CNAC includes the Advisory Committee of Enforcement Agencies and the Advisory Commission of Productive Forces and Consumers. More than 70 associations and institutions and over 150 experts have been involved.
- In 2014, CNAC promoted, jointly with the French National Anti-Counterfeiting Committee and the French National Institute of Industrial Property (INPI), a renewed cooperation among Euro-Mediterranean (EUMED) countries in the fight against counterfeiting.

# Case Study: Anti-Counterfeiting Hotline (Italy)

- Collaboration between the Directorate-General for the Fight Against Counterfeiting of the Italian Patent Office (DGLC-UIBM) and the Guardia di Finanza (the main police enforcement authority as to counterfeiting within Italy).
- **Focus:** A helpdesk service aimed at providing consumers and entrepreneurs or inventors with information on IPRs, their protection and their enforcement.
- **Result:** The Anti-counterfeiting Hotline Service began operating in 2006. Enquiries regarding counterfeiting-related issues and reports on IPR infringements increased steadily since its inception, with 1,166 enquiries/reports received in 2015 alone.

# Case Study: Project Chargeback (Canada)

- A collaboration between the Canadian Anti-Fraud Centre (overseen by the federal police), credit card companies, and banks who work together to reimburse victims of online fraudsters, at the expense of counterfeiters.
- **Focus:**
  - Increase refunds and reduce losses incurred by consumers; reduce overall profits of counterfeit sales by organized crime; support and protect brands.
  - Use credit card companies' existing mandatory chargeback policies for counterfeit goods to reduce the economic incentive to counterfeit.
- **Result:**
  - Over a 12-month period, the Chargeback Project registered more than 10,000 confirmations of goods reported as counterfeit, which led to chargebacks being initiated and victims being reimbursed.



# Conclusions

- Partnerships and linkages around IPR enforcement can be effective tools in the fight against counterfeiting.
- These can take the form of highly formalized and grand-scale collaborations between governmental institutions and law enforcement agencies.
- But local partnerships between private sector organizations of IPR owners and IPR enforcement agencies focused on “low-hanging fruit” can also be a source of creative solutions to combat counterfeiting in specific industries and markets.
- Partnering to build public awareness and institutional enforcement capacity are also important elements of an effective anti-counterfeiting program.





Questions?



Thank you