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## **Counterfeiting and piracy:** SMEs discuss solutions to eradicate these plaques

More than 20 small and medium-sized companies (SMEs) coming from both sides of the Atlantic and from diverse sectors gathered at a round table on Intellectual Property Rights (IPR) in Brussels yesterday to expose their practical experiences with counterfeited goods and piracy.

A main conclusion arose: small companies are particularly affected by IPR infringements, especially because - unlike multinationals - they lack resources (time, people or money) to chase counterfeiters to an adequate extent. There is an additional angle of the problem: while many of the counterfeits are produced in China or in other emerging economies, the demand often comes from industrialised countries which aim for low cost products. Last but not least, SMEs also face problems with the patent system globally, given the high costs and great number of languages involved.

Participants – among which EU and US officials – then discussed best practices to address these problems, such as a case where local producers have joined forces (human and financial) to prosecute counterfeiters. Another possible solution is to try to move faster than counterfeiters through the adoption of technical devices such as special labels and/or packaging. Overall, the need for awareness-raising campaigns on IPR and the need to educate consumers was highlighted.

"The robust attendance at this event is a clear sign of the urgency with which piracy and counterfeiting are perceived. Governmental fiscal losses, perils to jobs, threats to consumers' health and safety and decrease of producers' margins are only some examples of the disastrous consequences for the global economy of these two plagues," said Arnaldo Abruzzini, Secretary General of EUROCHAMBRES.

A 2007 study from the OECD estimates the annual value of international physical trade in counterfeited consumer goods at EUR 130 billion, an amount equivalent to 2% of world trade and higher than the GDP of 150 countries.

## About the "Transatlantic IPR Collaboration" project

The round table was organised by partner organisations of the 'Transatlantic IPR Collaboration' project. Launched in January 2008, the 'Transatlantic IPR Collaboration' EU-supported project led by Austria Wirtschaftsservice (AWS, www.awsg.at) aims at providing a comprehensive analysis of current IPR policies in the EU and US as well as of current SMEs programmes for IPR protection, thus enabling the EU and US to enhance cooperation in the fight against counterfeiting and piracy. The project also aims to raise public awareness regarding IPR infringements and purchasing of infringing products.

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