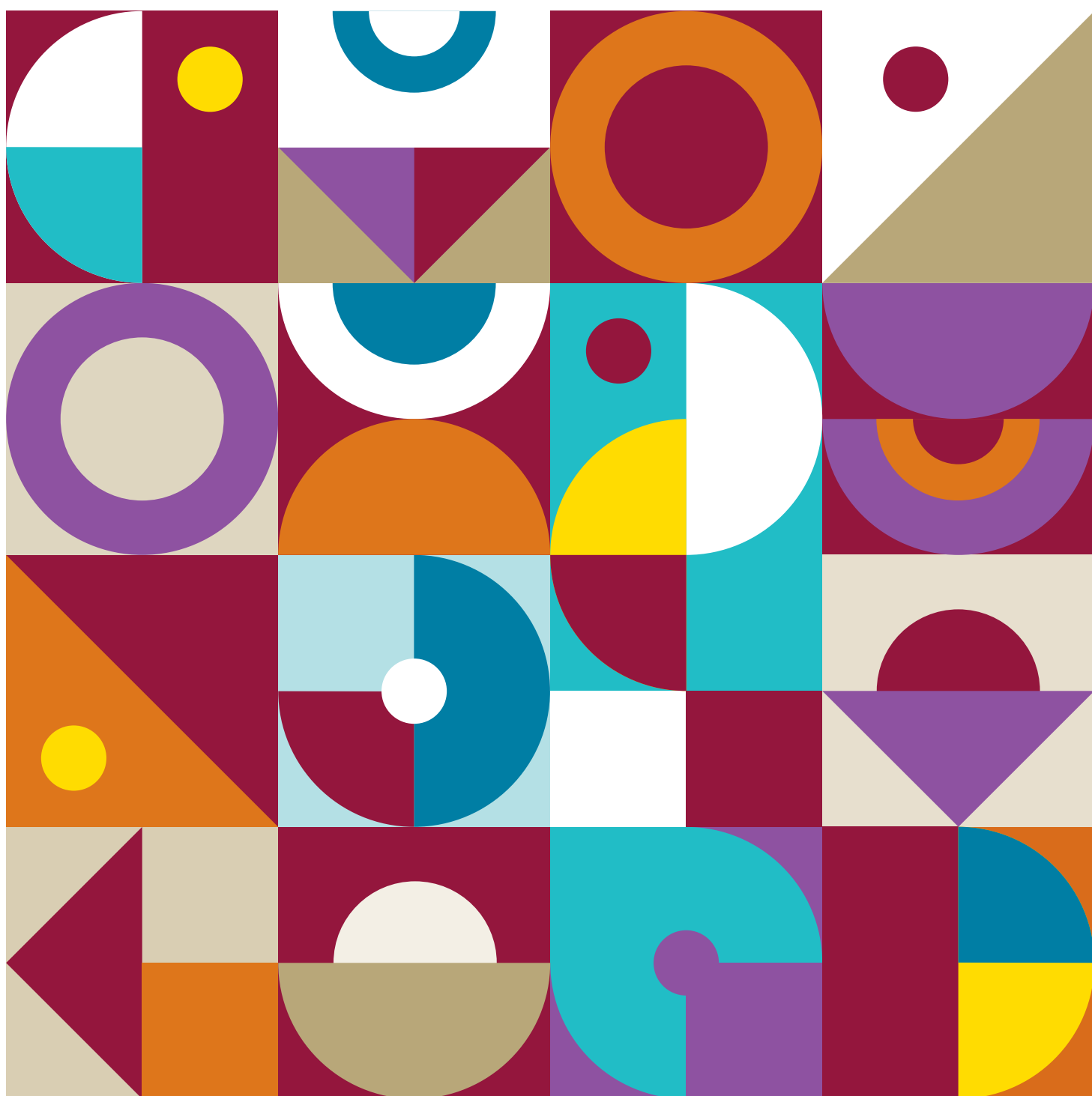


Annual Report 2021





2021 was once again an extremely challenging and volatile time in which counterfeiters have taken advantage of the turmoil of the last two years to increase their criminal activity.

What has been very clear is that criminal counterfeiters have had no care for the suffering caused in this troubling time and have merely seen the pandemic as another business opportunity, no matter the consequences.

Intellectual property is the lifeblood of the UK economy, contributing over four million jobs and almost £300 billion towards our national finances. Criminals recognise this value and will always follow the money. As a result, counterfeit goods have never been so widely manufactured and available. Their scope and scale are enormous and dangerous, not only threatening our prized businesses, jobs, and economic prosperity but our families and public services.

Despite clear obstacles and growing challenges ACG and its partners have achieved continuing success in the ongoing fight against this increasing threat.

We have supported businesses, enforcers, government, and related national and international agencies to defend our industries, consumers, and our economy from transnational criminal organisations, who are presenting a growing and insidious problem.

In 2022 and beyond ACG will continue to protect and guard our precious innovative and creative assets that are so vital for our economic recovery and continued prosperity.

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Two years on and it seems that we are finally coming out of a pandemic that, regrettably, had a devastating effect on the lives and livelihoods of many families and businesses. The ACG and our members, once again, offer our deepest and sincere sympathies to those affected by the pandemic.

We also give our heartfelt thanks to the medical staff and front-line service providers, who continue to work so hard to keep us all safe and well.

The ACG has been working hard to ensure that the complex issues surrounding counterfeiting and the wider damage it has on the UK and global economy remain at the forefront of policymakers' agendas nationally and internationally. We are grateful to all our partners who enable us to keep shining a spotlight on this growing problem despite the challenges of the last two years.

During the height of the pandemic, in 2021, we again saw the callous behaviour of criminal networks that sought nothing more than to prey on people's fears and anxieties to make huge profits from counterfeiting and to use the money, they make, to feed other forms of dangerous illicit trade.

In 2021 the Organisation for Economic Co-Operation and Development (OECD) and the European Intellectual Property Office (EUIPO) reported that the value of international trade in counterfeit

and pirated goods amounted to \$461 billion and 2.5% of world trade. Even more concerning is that the most dangerous fakes are all in the top ten of the highest number sold and distributed around the world.

The pandemic has created a huge consumer shift toward online sales and we have received reports confirming that counterfeiters are increasing the manufacture and production of fakes. Criminals are clearly bringing wider dangers to consumers who are more confident about online buying.

The OECD and the EUIPO have again reported that between 2020 and 2021 e-commerce activity in some countries grew by almost 40%. This has resulted in a flood of single parcels, posted from overseas, directly to buyers' homes and offices. This deluge has almost overwhelmed border controls and many of these small packages contained a growing range of unsafe, dangerous fakes.

Despite the obvious threats, restrictions, and interruptions, ACG and its partners have worked even more diligently to combat the dangers, to support our members and society.

On the operational side, we further developed our active networks, having received and coordinated even greater volumes of intelligence. This allowed us to facilitate and drive actions against major international counterfeiters, which led to huge successes, including the closure of a sophisticated manufacturing UK plant. The resulting arrest of the owner led to a four-year custodial sentence. In addition, our systematic and

continuous work with Trading Standards, the Police Intellectual Crime Unit (PIPCU), UK Border Force and our joint work with major e-commerce platforms such as Facebook and Amazon, to identify and takedown hundreds of illicit online sellers. Stimulating the seizure of millions of fake items estimated to be worth £11 million.

Knowledge building, education, policy, and outreach are key priorities, and 2021 saw the launch of a series of international seminars to help explore and share enforcement experiences and expertise. These included sessions with the US Department for Homeland Security, US Customs and Border Protection and enforcement and legal experts from Spain, Italy, and Russia. We also introduced roundtables with all major E-commerce platforms to help build awareness of our joint needs, to help protect online brands and consumers.

ACG is an influential body at UK, European and international policy levels. In the wake of BREXIT, we have provided key country reports to the Intellectual Property Office International trade team (IPO) and the Department for International Trade and have joined high-level meetings to advise on the UK's future relationship with EU Institutions.

Evidential research is also fundamental to our work, and we have provided reports on significant source and transit countries and have become an influential touchstone and member of the OECD Illicit Trade Task Force, the EU Intellectual Property Office's Observatory on IP Infringements, EU Commission services, the WCO advisory group, the

Royal United Services Institute (RUSI) and several UK All-Party Parliamentary Groups. This has enabled us to deliver evidence-based advice and reports on a broad range of areas, including crisis policy, the illicit use of self-storage facilities, the governance of freeports, the misuse of container traffic, online influencers, and the infiltration and abuse of e-commerce.

Despite pandemic restrictions, our lobbying and representation efforts have continued to expand, and we have contributed to major consultation exercises in areas such as the Online Safety Bill, Product Safety, the Reform of Competition and Consumer Policy, the UK IP Exhaustion regime, and Artificial Intelligence in Enforcement. In addition, we have been active in the media, featured as experts in national newspapers and on major UK television programmes. We have also continued to lecture to students at high-level academic institutions.

This is just a short report of how this small, not-for-profit, organisation is representing our members, UK business, and consumers at the highest and most diverse levels.

In 2022, we will continue to work hard to protect the UK against the growing threat of global criminal counterfeiting by continuing our successful lobbying, enforcement, and awareness work.



Phil Lewis, ACG Director General



Despite the obvious threats, restrictions, and interruptions, ACG and its partners have worked even more diligently to combat the dangers, to support our members and society.

2021

Jan-Apr

Highlights of our year

We developed more intelligence than ever, working with industry experts on a global, national and local scale to share and promote knowledge about anti-counterfeiting. Despite the ongoing effects of the pandemic, it didn't stop the ACG from raising greater awareness and urging governments, policy-makers, law enforcement and the media to introduce measures to protect the public from fake, substandard, and often dangerous products.

COVID CONTINUES

The ACG team began the year knowing that there was an even more important need to broaden knowledge and relationships despite the ongoing threats of the pandemic and Covid-19.

INTERNATIONAL ENFORCEMENT TRAINING

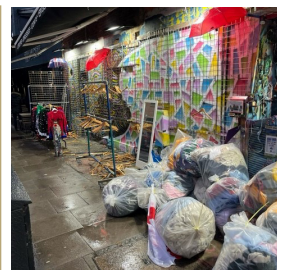
We worked alongside partners in USA, Russia, Spain, and Italy to deepen relationships and learn from IP attorneys and enforcement officers on how to protect ACG members' IP Rights globally.

ROUNDTABLES

Our growing partnerships with major e-commerce platforms like Facebook and Amazon helped them to assist us in stopping counterfeit goods from being sold online.

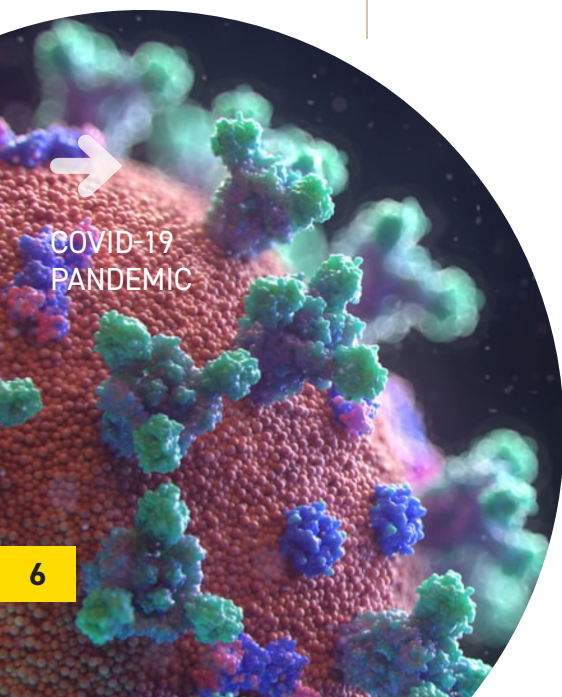
NEXT GENERATION TRADE AGREEMENTS

Contributed to RUSI projects on Free Trade Zones and Bonded Warehouses.



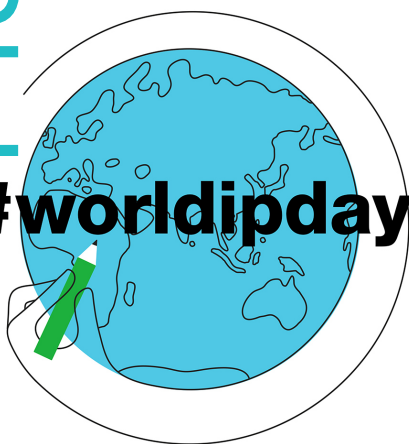
OP CLOVER

49 profiles were selected for the operation which led to a two-day intelligence-led, multi-agency collaboration, removing thousands of infringing images of our ACG members.



May-Jun

#worldipday



“Protecting the public from fake, substandard and often dangerous products”

WORLD IP DAY

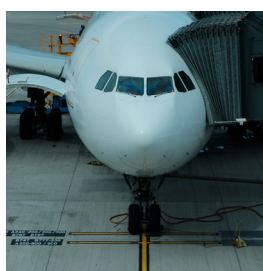
We joined partners in Europe to raise levels of recognition of the vital role Intellectual Property Rights play in encouraging innovation and creativity, particularly focusing on SMEs.

PLAYING GAMES

With the UEFA Euros and Olympics events finally going ahead, ACG and its members highlighted the existing and potential threats that counterfeit goods would bring to markets, businesses and consumers.

OPERATION MAGNESIUM

We again joined forces with Heathrow Border Force on intensification exercises. This strategy continued to bring notable success in preventing imports of counterfeits into the UK. One single operation netted over 25,000 counterfeit products, identified over 100 importers and exporters, and provided crucial evidence of the threat counterfeits pose to the UK and our members.



STAKEHOLDER SUPPORT

Developing relationships with a wide range of stakeholders is an essential pillar of our work. It enables us to exchange information and skills, which in turn supports the brands we represent and it also enabled us to engage in essential activities during the pandemic.

THREAT ASSESSMENTS

Our detailed contributions to the influential EU Serious and Organised Crime Threat Assessment drew further attention to the fact that IP crime is now a cross-border priority in combating transnational illicit trade.



ONLINE INFLUENCERS

ACG supported the IPO providing research and advice on a wide variety of evolving IP crime-related matters including the rise of online influencing. Our contributions helped drive the IPO's strategy planning on IP enforcement.

2021

Highlights
of our year

RAIDS IN
ACTION



July-Sept

CAMERA READY

With the help of ACG, Crackit Productions, an award-winning independent production company, produced a TV series for Channel 5 on retail scammers and the impact of counterfeiters.



SUBMISSIONS

We contributed to six major consultation exercises including Product Safety, UK's Future IP Exhaustion regime, and the Reform of Competition and Consumer Policy.

ACG AWARDS

Our annual "Awards for Excellence in Anti-Counterfeiting Enforcement", were presented at the CTSI Symposium, where our members celebrated the vital work and successes that public sector authorities achieved in the fight against counterfeiting.



STOPPING CRIMINALS

Organised Crime Groups are deeply embedded in IP crime, through physical and online markets and OP BEORMA is just one of our successful joint operations, which identified over 100 suspects engaged in the importation, manufacturing, and distribution of counterfeit goods. This operation saw the seizure of tens of thousands of packaged products destined for sale in UK outlets.



STOPPING
CRIMINALS





Contributing to anti-counterfeiting policy”



Oct-Dec

INTELLIGENCE SHARING

Our intelligence partnerships and analysis have helped inform the UK's overall knowledge of new threats faced by business and consumers and how enforcement can better focus and resource to tackle the problem at a wide range of levels.



COUNTERFEIT STOPPERS

Our members joined together to help build greater understanding and knowledge for hundreds of Border Force and Trading Standards Officers on how to identify suspect counterfeit goods in a huge range of sectors.

SHOWCASING KNOWLEDGE

Our London IP Roadshow was our first physical event since 2019 and it brought our members together with enforcement officers from across London and beyond to network and share their knowledge, experiences, and skills. This year the London Roadshow was jointly sponsored by Juul Labs Inc, CTSI, and the IPO.

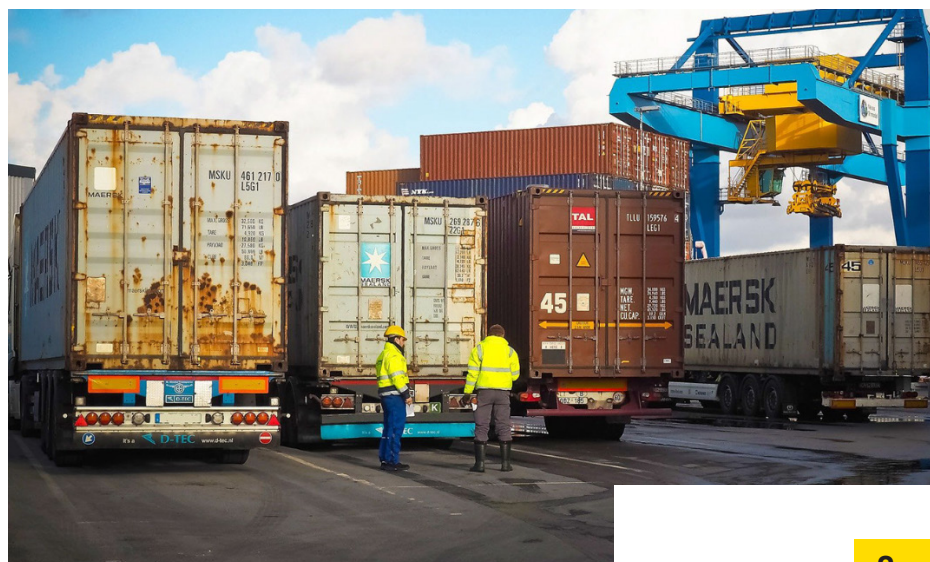


SOCIAL MEDIA TAKEDOWN

ACG is Chair of the ground-breaking National Markets Group initiative which brings together business, enforcement, and government policymakers. OP MONTY revealed the success that such a partnership can bring. Our ACG Intel team produced critical evidence that saw 15 ACG member brands take part in a two-day takedown exercise in partnership with Instagram. The operation removed over 450 traders and tens of thousands of listings of counterfeit goods.

KNOWLEDGE SHARING

During the year we developed, produced, and responded to calls for information that supported 18 country reports, six Government consultations, six independent research reports, and three major Government evidence statements.



Our year in numbers



**MEMBER INVESTIGATIONS
DEVELOPED IN LIAISON
WITH PARTNER AGENCIES**



**INVOLVED IN
52
RAID
ACTIONS**



**REPRESENTED
MORE THAN
3,100
BRANDS™**



An end to the pandemic constraints is in sight. With restrictions lifting, we will increase our work to support brands and campaign for change. In this, we will continue to influence Government and policy decisions so that our members' voices are heard.

Intelligence gathering never stops. We will share as much information with enforcement agencies and support actions that stop or disrupt the sale of counterfeit products.

Hybrid events and working will provide opportunities for brands and enforcement officers to benefit from training and direct engagement with the ACG.

POLICY AND INFLUENCING

Transnational counterfeiting attacks and damages every sector of society. Combating the wide-ranging threats requires joint cross-sector, cross-border approaches, and leading-edge skills, strategies, and policies.

In 2022, ACG will work to raise more public awareness and will help to bring together even more international government agencies, strategy groups, business leaders, enforcement authorities, and consumer federations to protect our priceless assets, jobs, safety, and security.

ACG also commits to ensuring the new UK Counter Infringement Strategy works at all levels. Alongside this, we will further increase our responses to research requests and will provide even more evidence-based reports to the Government to help build knowledge and identify key challenges and threats arising from source and transit countries.





ENFORCEMENT

Further develop and strengthen partnerships with public sector agencies including the IPO, TS, NTS, HMRC, Border Force, and others to ensure an intelligence-led response to product counterfeiting.

Support Trading Standards and Police on raid actions to remove infringing goods from the marketplace.

Provide logistical support to the authorities to enable them to take appropriate action against infringers.

Influence decision-makers at an operational level to raise the profile of IP crime and provide sufficient resources to tackle the issue.

Engage and support the IP Crime Group 2 and the IPO in developing the group and the IPO Strategy.

Gather intelligence by chairing the NMG and strengthening the collaborative efforts of the group to protect consumers and legitimate businesses.

Support our stakeholders like Border Force on OP MAGNESIUM to target imports of counterfeit goods.

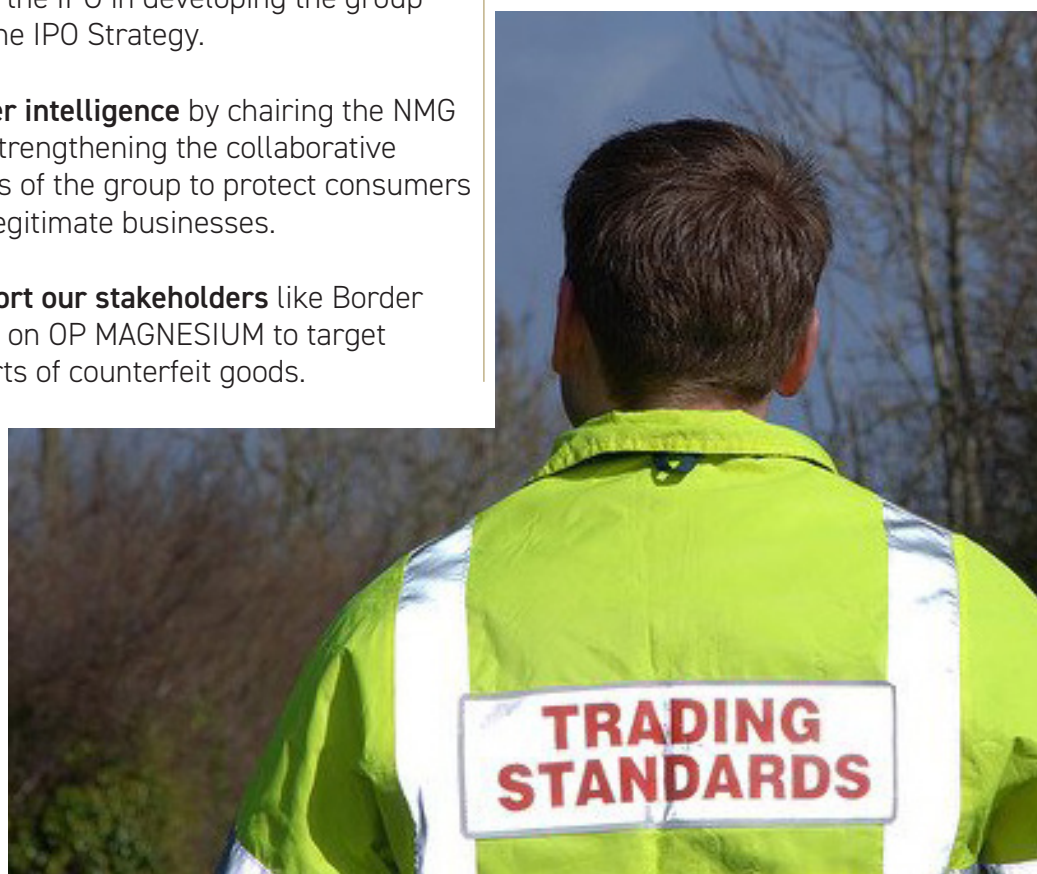
RAISE AWARENESS

Organise more educational events for members and enforcement within Trading Standards, Border Force, Police, and Customs.

Participate in educating and raising awareness on anti-counterfeiting and IP issues through tailored messages from partners like the IPO, GACG, and the Alliance for IP.

Provide more roundtable discussions with online marketplaces for members and partners to hear each other's concerns.

Educate the general public about the key issues with our media outreach work, plus continuing our social media campaigns and messages across all public forums.





Throughout 2021, ACG has worked hard with the UK and international media to raise awareness around the wide and complex issues caused by counterfeiting crime.

We have appeared on primetime television programs such as the BBC's *Crimewatch Live* and Channel 5's *Shoplifters and Scammers – at War with the Law*. We have also been quoted and featured in national newspapers, magazines, and on specialist sites such as *World Trademark Review* and *The Trading Standards Journal*.

Highlights included our Director General Phil Lewis being interviewed on *Crimewatch Live*. The *Daily Express* also covered one of our successful container raids in partnership with Trading Standards in Ealing, where over 2.5 million pounds of goods were seized. As a result, the *i* newspaper took a deep look at the problems counterfeiting crime is causing in the UK after Brexit and Covid, featuring the story in print and online.

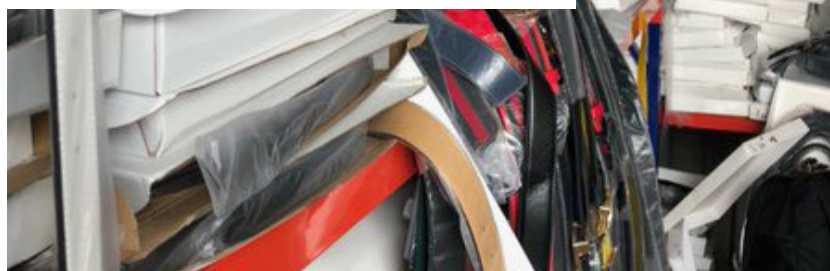


Woman and Home shared our Black Friday warning to look out for counterfeiters and scammers. An article in *The Sun* about knock-off Christmas presents shared a quote from Phil about the rise in demands for fakes during the festive season.



There has been a huge shift as counterfeiters took advantage of the fact that consumers and businesses used online sources for everyday and essential goods. These arrived in vast numbers of small parcels, which are much more difficult to prevent and intercept. It is clear that counterfeiters have moved into the full landscape of e-commerce as people look, online, for bargain priced commodities. Counterfeiting criminals exploit every possible avenue to profit. But they are also subtle and know how to price things – a bicycle that normally sells for £2,000 might be sold as a counterfeit with £600 knocked off the price, so it looks like enough of a bargain, but not too much of one."

Phil Lewis, quoted in the *i* newspaper



The Board is the ACG's ultimate governing body and has five members who meet at least four times a year to review strategy, business plans, and operations.

We are delighted to announce that for 2022 Mark Bearfoot will now step up from the Vice Chair position, he has held for three years, to take Shelley Duggan's place as Chair of the ACG Board. After Shelley's many years of dedicated and devoted service, Mark will offer strong guidance in a wide variety of areas and is very much looking forward to building on our successes.



Mark Bearfoot Vice-Chair
Senior Legal Director, IP & Brand Protection (Tommy Hilfiger Europe BV)



Chloe Long Vice-Chair
Global IP and Brand Protection Lead (Superdry Plc)



Nicola Consterdine
IP Protection Manager, Strategic Planning Dept (Epson Europe BV)



Sheila Henderson
Chief Intellectual Property Counsel (Richemont International Ltd)



Caron Tayler
Corporate Counsel Brand Protection (Harley-Davidson Europe Ltd)

Additionally, there are specialist ACG groups open to members such as the Consumer Brands Group (CBG), Policy Working Group, Online Counterfeiting Working Group, and the Physical Working Group.

Consumer Brands Group

Chair: **Chloe Long**
Global IP and Brand Protection Lead (Capri Holdings Ltd)

Vice Chair: **Adefunke Evbodaghe**
Senior Counsel Intellectual Property Anti-Counterfeiting (GlaxoSmithKline Services Unlimited)

Policy Working Group

Chair: **Mark Barefoot**
Legal Director Global Brand Protection (Tommy Hilfiger Europe BV)

Online Counterfeiting Working Group

Chair: **Ellen Bamborough**
Brand Protection Manager EMEA (Capri Holdings Ltd)

Physical Working Group

Chair: **Katie Gill**
Brand Protection Manager (Underwriters Laboratories LLC)



ACG is a fundamentally important conduit for intelligence sharing and coordination between brands and enforcement agencies, including trading standards, the police and border force. Their contribution to the consumer protection sphere is invaluable and provides vital assistance to CTSI's professional members across the country when undertaking their anti-counterfeiting work."



CTSI is proud to have a very strong working relationship with the ACG, which has been up over a number of years of collaborative working, and through which we have seen the positive impacts on both consumers and businesses. We once again look forward to their support and attendance at this year's CTSI Conference in Bristol in June as we seek to forge an even closer relationship."

John Herriman, CTSI Chief Executive



The Anti-Counterfeiting Group is one of the world's leading, industry, organisations in the fight against product counterfeiting. Our ongoing partnership has developed joint training initiatives, which have helped build mutual understanding about how we can work together to combat the sale and distribution of counterfeit goods across the supply chain. ACG has supported us in building a critical relationship with brand owners to protect customers. Our brand protection team at Amazon truly values our relationship with ACG and what they do and stand for."

Anna Dalla Val, Director,
Brand Protection, Amazon

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