Guidelines for the battle against counterfeiting

By Doris Estelle Long

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A woman in Florence fined more than 3,000 euros for purchasing counterfeit sunglasses. Yet, despite a governmental report in 2007 (by high commissioner for the Fight Against Counterfeiting) that more than 11,728 administrative fines had been imposed against businesses and consumers throughout Italy for counterfeiting, the reality on the ground was different.

News reports would still appear in English language newspapers about a hapless tourist fined for buying counterfeit goods, yet these instances seemed more bad luck than any part of an organized enforcement policy. Occasional police sweeps through some of the more notorious counterfeit markets in Florence were noteworthy for their timing — always during daylight hours — the spectacle of street vendors running down the streets with their wares bundled on their backs and the relatively rare occurrence of such sweeps.

By 2009, however, enforcement policies had changed and were beginning to have a noticeable effect. The public reminder of the possible harm caused by purchasing counterfeit goods had moved to a new level. Large, metal, multilingual warnings entitled “No Fakes, Thanks” dotted the historic landscape of Florence. Wherever tourists gathered, one of the warning posts seemed nearby. More interestingly, sweeps were occurring with such frequency that certain counterfeit markets, particularly in San Lorenzo and around the Duomo, were disappearing — at least until 6 p.m. — when the night markets sprang up unheeded. I had the unsettling experience of observing vendors setting up their wares in San Lorenzo at 6 p.m. while the police strolled by.

The tenor of the debate had changed. The Italian fashion industry, including such well-known companies as Prada and Ferragamo, continued to complain about the adverse impact of the black market on their profits. The owners of the legitimate vending carts in open-air markets joined in the complaints. There were increasing warnings from the economic development minister that criminal aspects attached to such illegal trade. New voices concerning the human rights implications of the pirate market were given prominence in news reports. In Florence, street vendors were increasingly illegal immigrants from African countries earning a hazardous living selling goods whose own production was tied in news reports to factories in foreign lands that employed abusive labor practices. In 2009, Italy also increased the criminal penalties for trade-mark counterfeiting while simultaneously making the imposition of consumer fines for the purchase of counterfeit products more likely by lowering threshold amounts from 500 to 100 euros.

This summer, the six-year process appears to be paying dividends. Tourists are undoubtedly still buying counterfeit goods. But it is harder to find such goods in the traditional tourist sites. The sidewalks between the Uffizi and the Ponte Vecchio are empty. Street vendors have virtually disappeared from the Duomo and San Lorenzo, even at night. The combination of increased and constant enforcement, supported by demands of local industry for action, stronger law enforcement tools and a constant public education barrage about the harm of counterfeit goods in both economic and human rights terms is a mix that should be reproducible in other areas. It is too soon to tell to what extent the civil fines for the purchase of counterfeit goods has contributed to the positive enforcement developments, but other countries such as France have already adopted such techniques to protect their own local industries.

Of course, as enforcement has continued to evolve, so too have the forces with which they must do battle. Black market vendors are becoming clearly more organized and covert — consolidating into selling networks, with lookouts, runners and cellphone communications between groups, creating a clandestine, highly mobile surveillance system. The opposition appears, not only more organized, but with a tighter chain of command and significantly fewer leaders. Whether such a refined organization ultimately proves easier to combat is, as yet, unclear.