



MINISTERO DELLO  
SVILUPPO ECONOMICO



# LA CONTRAFFAZIONE IN CIFRE

***COUNTERFEITING: FACTS AND FIGURES***

***Italy's fight against counterfeiting in 2008-2010***

Directorate-General for the Fight against Counterfeiting –  
Italian Patent and Trademark Office



Iperico

Il database integrato sull'attività di contrasto alla contraffazione

***Abstract***



**2011**

## **Preliminary remarks**

In accordance with the guidelines of the European Observatory on counterfeiting and piracy, the Directorate-General for the Fight Against Counterfeiting – Italian Patent and Trademark Office of Italy's Ministry for Economic Development has launched a long-term program for monitoring anti-counterfeiting activities in Italy.

The relevance of counterfeiting in the national and international markets cannot be underestimated, and an increasing demand for knowledge needed to fight the counterfeiting of goods can be detected in most countries. A proper quantification of this phenomenon, of its evolution and of its impact on a country's economy and finances is indeed crucial to steer governments' efforts at adopting effective measures to control and fight this typology of illegal activities.

One of the main achievements of the program undertaken by the Directorate-General for the Fight Against Counterfeiting – Italian Patent and Trademark Office is the IPERICO database.

IPERICO - (Intellectual Property – Elaborated Report of the Investigation on COunterfeiting) collects structured information on anti-counterfeiting activities carried out by the different agencies that make up the Italian law enforcement system, namely:

- *Agenzia delle Dogane* (the Italian Custom Agency)
- *Guardia di Finanza* (the Italian Tax Police)
- *Polizia Municipale* (Italian Local Police)
- *Carabinieri* (Army corps with police duties)

IPERICO is the result of several years of activities of a multidisciplinary task-force composed of experts from the Italian Ministry for Economic Development and from the law enforcement institutions, whose activities have not been limited to data collection and integration. The harmonization of the databases of the different agencies, the merging of data and the need for a correct interpretation of the available figures demanded a deep

understanding of the counterfeiting phenomenon and of the procedures adopted for data collection in different contexts. As a result, the Directorate-General has developed a unique competence on most of the issues related to anti-counterfeiting measuring activities and their interpretation, that can be considered an extremely valuable asset to be shared with other institutions both at national and international level.

According to many previous studies, measuring and evaluating the scale and the economic impact of counterfeiting is a very difficult – if not impossible – task, due to the fact that counterfeiting is an illegal activity, whose nature can be compared to a gigantic iceberg. What we can *measure* with approximate certainty is only the tip of it, represented by the seizures performed by the enforcement agencies. But the largest portion of the phenomenon is hidden beneath the surface. For this we can only rely on *estimes*.

Yet, measuring the tip of the iceberg is very important. It plays a crucial role in estimating the relevance and the nature of the phenomenon as a whole, in relating the efforts made by the law enforcement agencies to their effectiveness and in steering policy-makers towards the maximization of such effectiveness.

The IPERICO's methodology is only one of the methodologies adopted by the Directorate-General for the Fight against Counterfeiting – Italian Patent and Trademark Office (DGLC-UIBM) in order to measure counterfeiting activity in Italy and determine its impact on the Italian economic system. Additional methodologies consider:

- measuring consumption of counterfeit goods and impact at micro-economic level (sectorial impact): consumers surveys are carried out to estimate the number of consumers, the value of consumption, consumers' attitudes towards counterfeiting and consumers' perception of government's activity to fight against it. Surveys on manufacturers in specific sectors (shoes and glasses so far) are also carried out, in order to estimate loss in turnover and identify defensive strategies implemented by affected enterprises;
- measuring macro-economic impact (in terms of loss in turnover, employment and fiscal revenues)

Thanks to a collaboration with the United Nations Interregional Crime and Justice Research Institute (UNICRI), the Directorate General is also acquiring information and data on the involvement of organized crime, both Italian and transnational, in the illicit commerce of counterfeit goods.

## **Available Data**

IPERICO contains data on seizures of counterfeit goods in Italy, and for each seizure answers to the following questions:

- *what* type of goods have been seized;
- *how many* items of that good have been seized;
- *when* they have been seized (month and year);
- *where* they have been seized (city and region);
- *who* carried out the seizure (which corp or agency).

The database then allows for composite queries that result in showing cumulative statistics on seizures by commodity category, by year, by region and by other combinations of available variables.

Such information can be easily accessed by different categories of users and can provide, at a quick glance, a clear and complete picture of the specific aspects that may be of interest in a given situation. The result is simple, but this simplicity stems from complex analyses and operations, the most relevant of which are:

- the merging of seizures carried out by different corps, in order to remove duplications and reach a common classification for the type of violations that led to the seizures;
- the classification of seized goods in a limited and meaningful number of categories (15 in all);

- the estimation of the value of seized goods using a specific methodology making possible to obtain a prudential economic quantification of the impact of the anti-counterfeiting activities;
- the normalization of data across different time period, in order to provide a correct way to compare activities carried out in different years and highlight the significant trends.

### **Some Figures on anti-counterfeiting activities in Italy**

The first IPERICO Report was released on July 2011. It contains a description of the project's general framework, some thoughts on the current state of the art of Italian anti-counterfeiting activities and a summary of the 2008-2010 data available in the database, pursuing a two-fold goal: sharing part of the information contained in IPERICO and showing its future potential in supporting decision-makers with a clear and focused quantification of the phenomenon.

Below some excerpts from the Report are shown as snapshots of its content (overall, the reports contains more that 70 tables and figures, but virtually any type of information related to the available data can be extracted from IPERICO by making simple queries).

In the years 2008-2010, *Agenzia delle Dogane* and *Guardia di Finanza* jointly seized more than 174 million items in 56.055 enforcement operations. While the number of seizures appears to be stable, a markedly increasing trend can be acknowledged between 2008 and 2009-2010 in terms of the average size of seizures.

<b>Counterfeiting</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>Total</b>
<b>number of seizures</b>	<b>18.041</b>	<b>19.683</b>	<b>18.331</b>	<b>56.055</b>
<b>number of articles</b>	<b>42.056.701</b>	<b>68.142.885</b>	<b>64.008.000</b>	<b>174.207.586</b>
<b>average size of seizures</b>	<b>2.331</b>	<b>3.462</b>	<b>3.492</b>	<b>3.108</b>

Source: IPERICO (DGLC-UIBM). Counterfeiting, excluding foods and beverages, medicals and tobacco products

## **Counterfeiting**

Number of seizures	2008	2009	2010	Total
clothing	3.724	4.094	3.883	11.701
clothing accessories	6.914	7.287	6.386	20.587
other items	1.444	1.356	2.076	4.876
electrical equipment	489	726	1.142	2.357
electronic and computer equipment	61	76	135	272
shoes	2.828	3.401	1.883	8.112
cd, dvd, cassettes	84	100	100	284
toys and games	238	311	377	926
glasses	1.338	1.126	1.002	3.466
watches and jewellery	867	1.142	1.294	3.303
perfumes and cosmetics	54	64	53	171
<b>Total</b>	<b>18.041</b>	<b>19.683</b>	<b>18.331</b>	<b>56.055</b>

Source: IPERICO (DGLC-UIBM). Counterfeiting, excluding foods and beverages, medical and tobacco products

When looking at the distribution of seizures by categories of goods, data show that clothes and related accessories, shoes, watches and jewellery account for the largest proportion of seizures.

## **Counterfeiting**

Number of articles	2008	2009	2010	Total
clothing	11.837.392	12.753.112	12.781.043	37.371.547
clothing accessories	8.257.589	29.983.001	4.975.004	43.215.594
other items	10.492.727	6.130.907	26.834.232	43.457.866
electrical equipment	1.629.368	1.197.981	681.837	3.509.186
electronic and computer equipment	75.703	81.336	183.099	340.138
shoes	5.529.665	4.143.310	1.807.529	11.480.504
cd, dvd, cassettes	277.812	291.236	1.330.625	1.899.673
toys and games	1.499.532	11.284.521	10.406.511	23.190.564
glasses	1.387.536	699.188	542.757	2.629.481
watches and jewellery	407.220	326.568	1.356.597	2.090.385
perfumes and cosmetics	662.157	1.251.725	3.108.766	5.022.648
<b>Total</b>	<b>42.056.701</b>	<b>68.142.885</b>	<b>64.008.000</b>	<b>174.207.586</b>

Source: IPERICO (DGLC-UIBM). Counterfeiting, excluding foods and beverages, medical and tobacco products

As for the numbers of seizures performed by *Polizia Municipale*, *Carabinieri* and *Polizia di Stato* smaller figures are involved: in the 3 years concerned, these corps collectively seized about 5,5 million counterfeit items.

<b>Counterfeiting and Piracy</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>Total</b>
<b>Number of articles</b>				
<b>Carabinieri</b>	<b>1.530.013</b>	<b>950.394</b>	<b>420.376</b>	<b>2.900.783</b>
<b>Polizia locale</b>	<b>547.574</b>	<b>308.231</b>	<b>231.010</b>	<b>1.086.815</b>
<b>Polizia di Stato</b>	<b>685.445</b>	<b>486.008</b>	<b>371.691</b>	<b>1.543.144</b>

Source: CO.AB (DCPC). Elaboration IPERICO (DGLC-UIBM). Counterfeiting and piracy, excluding foods and beverages, medical and tobacco products