

Intellectual Property Rights (IPR)



**“B” DIVISION BORDER INTEGRITY
FEDERAL ENFORCEMENT
SECTION**

RCMP

ROYAL CANADIAN MOUNTED POLICE

RCMP Border Integrity Five Areas of Responsibility

Customs and Excise

Immigration and Passport

Integrated Border Enforcement Teams (IBETs)

Federal Enforcement

Marine and Ports Initiatives

RCMP

ROYAL CANADIAN MOUNTED POLICE

Federal Enforcement Branch

Consumer Protection

Environmental Protection

Airports

War Crimes

Financial Loss to Government



Intellectual Property Rights (IPR)

INTELLECTUAL PROPERTY Rights include copyrights, trade marks, patents, industrial designs, integrated circuits, confidential information and trade secrets.

INTELLECTUAL PROPERTY Rights are protected criminally and civilly by several pieces of legislation.

RCMP

ROYAL CANADIAN MOUNTED POLICE

Counterfeit Products

FOR ENFORCEMENT PURPOSES

a counterfeit product includes any type of property, data, information, digital file or goods including containers, packaging or labeling that has been produced, manufactured or otherwise created in violation of copyright or trademark law.



Canada - IP Crime Overview

Counterfeit products mainly consisted of luxury goods and clothing and were sold mainly in flea markets.

Consumers knew what they were buying.

Seizures were relatively small.



Counterfeit products are very diverse and include food, electrical products, auto parts and pharmaceuticals.

Consumers often do not realize the product they are purchasing is counterfeit.

Major chains have been caught with counterfeit products.

Seizures are large and measured in container loads.

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Intellectual Property Crime: Legislation

COPYRIGHT ACT - Sec. 42(1) up to \$25,000/six months under summary conviction (S.C.) or \$1,000,000/five years under indictment for making for sale or rental, selling or renting, distributing, exhibiting in public, importing for sale or rental any infringing copy of work (no offence for possession).

CRIMINAL CODE - Sec.406 to 410 offences committed “with intent to deceive or defraud.. any person ... passes off wares or services” as genuine when they are not. S.C. penalty is \$2,000/six months or, under indictment, is up to two years.

RCMP



Diversity of Counterfeit Products



16/10/2003

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Counterfeit Indicators

Higher risk in smaller stores e.g. flea markets

Higher risk purchasing online

Price lower than normal – “old stock, refurbished”

Quality of product lacking

Spelling mistakes

Color, taste, shape of product different

You cannot always distinguish the counterfeit from legitimate product just by appearance.

If suspicious, contact manufacturer or any FES office.



Why fight IP crime?

Health and Safety Risk to Consumers

Links to Organized Crime and Terrorist Funding

Economic Loss to Industry and Government

Political Consequences



Consumer Health and Safety





In the last few years there has been a dramatic increase in the number of counterfeit batteries being imported into Canada from China.



Toronto RCMP seized 3 container loads destined for retail stores. Street value - \$2.9 Million.

RCMP in Quebec have seized 2.5 tons of counterfeit batteries in the last year.



These batteries have been tested and found to contain hazardous amounts of mercury and under certain circumstances could explode.



Counterfeit CSA certified safety boots 10,000 pairs located in Canada

Counterfeit CSA certification marks

Steel Toes failed crush test

Steel shank "paper thin" failed penetration tests

Failed electrical shock protection testing

A mother buys a glue gun for her child. She plugs it in and it catches fire.



The glue gun has been purchased at a local clearance centre and had a counterfeit UL mark

The logo for the Royal Canadian Mounted Police (RCMP) features the letters "RCMP" in a bold, red, sans-serif font.

ROYAL CANADIAN MOUNTED POLICE

“Canadian Internet Pharmacies?”

Operation Bait and Switch - Pilot Project Conducted by FDA

Found 85% of Internet Pharmacies claiming to be in Canada were actually located in one of 28 other countries.

High percentage of pharmaceuticals were counterfeit.



Would you trust
Pharmaceuticals
Manufactured at
This factory?





**Optimum Compounding – Toronto - 2005 – Pharmacist convicted in 2007 of selling counterfeit Viagra through storefront pharmacy and internet.
\$300,000 fine and loss of license.**

Counterfeit Legitimate

