



IP CRIME HIGHLIGHT REPORT 2013/14

IP CRIME GROUP

The UK IP Crime Group is comprised of representatives from private sector, enforcement agencies and government departments who have a role in tackling IP crime in the UK.

The UK IP Crime Group was founded in 2004 by the Intellectual Property Office. The group is chaired by Temporary Chief Constable Giles York who is responsible for IP crime at a UK national level for the Association of Chief Police Officers (ACPO).

The membership includes those who are responsible for border security, those who investigate cases of IP crime in communities, those who represent the brands where intellectual property is being infringed as well as policy makers.

The group meets every two months to:

- discuss strategic policy issues in relation to IP crime
- identify strategic priorities for collaborative action
- identify and distribute good practice
- raise awareness of IP crime
- discuss production of an annual report.

This report gives an insight into the work done by members in 2013/14 and will be followed by a main report to be published towards the end of the summer.

REGULAR MEMBERSHIP INCLUDES:

- Alliance for Intellectual Property
- Anti Counterfeiting Group
- BPI – The British Recorded Music Industry
- Crown Prosecution Service
- Department for Culture Media and Sport
- Electronics Systems Community
- Federation Against Copyright Theft
- Federation Against Software Theft
- Food Standards Agency
- Her Majesty's Revenue and Customs
- Intellectual Property Office
- Medical and Healthcare Products Regulatory Agency
- National College of Policing
- National Crime Agency
- National Trading Standards Board National Intelligence Hub
- Police Intellectual Property Crime Unit
- Police Scotland
- Police Service Northern Ireland
- PRS for Music
- Publishers Association
- Association of Chief Police Officers
- Trading Standards
- Trading Standards Institute

THE SCALE OF IP CRIME

Top 5 products investigated by Trading Standards are:



1 Clothing



2 Cigarettes/Tobacco



3 Alcohol



4 Footwear



5 DVDs

Source: IP Crime Survey of TS 2013/14

According to the 2013/14 IP Crime Survey of Trading Standards, IP crime is linked to:



1

Benefit Fraud



2

Money Laundering



3

Organised Criminal Networks



4

Drug Dealing



5

Violence

Source: IP Crime Survey of TS 2013/14

Forensic analysis of 206 computers purchased in 11 countries with pirated software on them showed 61% were infected with dangerous malware.

In 2014 it is estimated that enterprises around the world will spend **\$127 billion** dealing with security issues and **\$364 billion** dealing with data breaches, as a result of malware associated with pirated software.

Almost **\$315 billion** of these losses will be due to activity of criminal organisations.



Source: Microsoft Digital Crimes Unit, IDC & National University of Singapore

COLLABORATIVE WORK BETWEEN GOVERNMENT AND ENFORCEMENT AGENCIES

85%

Out of 126 English and Welsh Trading Standards Authorities that responded to the TSI Workforce Survey, **85%** have an intellectual property specialist. 

Source: Trading Standards Institute (TSI) workforce survey 2014

In 2013 more than **\$174 million** of counterfeit and illicitly traded products were seized by law enforcement officers during INTERPOL-facilitated actions across the globe, resulting in detentions and investigative actions against some 6,000 individuals. 

Source: Interpol

HMRC collects over **£34 billion** a year in customs duties; keeps around **£500 billion** of imports and exports moving, and maintains contact with around **190,000 business** customers.



In 2013/14 officials detained 21,494 consignments of IPR-infringing goods at the UK border

HMRC received 980 Applications for Action from IP rights holders

Source: HMRC Border Force

The IPO Intelligence Hub is the UK lead for OPSON III, the Interpol/Europol fake and illicit food initiative. In 2013:



31 nations took part in Europe and beyond



35,000 copies of the Opson Conference documents were distributed



£350,000 worth of counterfeit wine & spirit seized during OPSON III

Source: IPO Intelligence Hub



The UK has reformed the specialist **IP court - the Intellectual Property Enterprise Court** - to increase access to justice by introducing a **Small Claims Track** for uncomplicated cases, and streamlined procedures to make it cheaper and easier to take legal action

Source: IPO

The Police Intellectual Property Crime Unit (PIPCU) are currently investigating

£28,869,991.07

worth of IP crime. Since September:

15 search warrants executed

2,359 .co.uk domains suspended

19 website payment provision suspensions

Source: PIPCU

A record **£12.2 million** of fake and unlicensed medicines were seized in the UK as part of Operation Pangea.



Source: MHRA

INDUSTRY INITIATIVES

36,900,000

(media value
£3.75m)

Cinema goers were exposed to the Industry Trust's 'Moments Worth Paying For' trailers

378,762,570

(media value
£5,762,350)

The estimated number of 'eyeballs' exposed to the outdoor posters

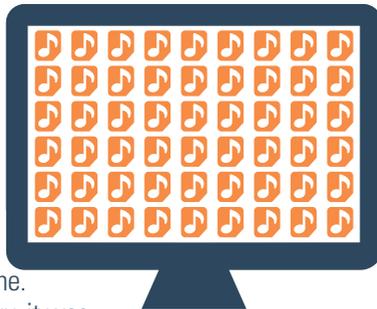
Source: Industry Trust

73,333

During 2013, PRS for Music developed semi automated search technology to locate links to infringing copies of musical works made available online.

Using this technology, it was able to successfully remove **73,333 files** during 2013, embodying **2,339,118** infringed musical works, with **99.48%** of the files reported resulting in a successful removal.

Source: PRS for Music



1,602,483

links to copyright infringing books were taken down by the Publishers Association in 2013, a fourfold increase on 2012.

Source: Publishers Association

THE BPI REMOVED

 **72,000,000** 

LINKS TO INFRINGING DIGITAL MATERIAL

Source: BPI



FACT (Federation Against Copyright Theft)

Achievements over past 12 months:

117 

pirate websites shut down

7 

alleged UK release group members arrested

10 

further pirate websites blocked in the UK following High Court orders



First ever UK conviction for streaming live football matches over the internet

Over **200**

brands now contacted since 2011 – their ads appeared on pirate websites

Over **5,000**

individual pieces of intelligence received and reviewed by FACT

Source: FACT



650,000

In 2013/14 representatives from the clothing, footwear and consumer goods sectors seized at least **650,000** infringing items with an estimated street value of **£40million.**

Source: ACG

COLLABORATIVE WORK BETWEEN GOVERNMENT AND INDUSTRY

65 

The Anti-Counterfeiting Group has collaborated with **65 different** enforcement agencies over the past 12 months including UK Border Force, Trading Standards and Police.

In December 2013, **3,500 groups** were selling counterfeit products on Facebook. A subsequent operation with enforcement partners removed **650 traders** and **2,500 individual listings**. 

Source: ACG

In 2013/14 Anti Counterfeiting Group brands provided **free storage and transportation facilities** for **30 large scale IP crime investigations**, reducing costs for law enforcement partners.



Source: ACG

Scotland has formed an **Anti Illicit Trade Group** to reduce scale, impact and cost of illicit trade and developed an Illicit Trade Strategy.



Scotland multi agency work is now supported by **Virtual Anti Illicit Trade Hub** to gather intelligence and conduct enforcement.



Source: Police Scotland

345 markets and 50 Trading Standards Services

signed up to the Real Deal Charter aimed at preventing the sale of counterfeit goods at markets.



Source: Real Deal



Trading Standards Authorities across the UK have partnered with at least 100 other organisations and brands to tackle IP crime in the past year.

Source: Trading Standards IP Crime Survey 2013/14

THE ANNUAL REPORT

The IP Crime Group produces an annual report, and has been doing so since 2005. It includes an overview of the impact that IP crime has on the UK, the effects on the economy, consumer safety, and links between IP crime and other types of crime.

To coincide with the International IP Enforcement Summit the IP Crime Group produced this highlight edition to provide an insight into the work done by our Members.

SIGN UP TO RECEIVE OUR ANNUAL REPORT

If you would like to receive a copy of our main IP Crime Report to be published towards the end of the summer please email us at ipcrimegroup@ipo.gov.uk

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