



Press Release



The Anti-Counterfeiting Group
Campaigning Against the Trade in Fake
www.a-cg.org

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Plain packaging – Australia takes leap in the dark

Today's announcement that the Australian Government has approved legislation to remove branding from tobacco packaging sends a shock wave to those who understand the value of branding and intellectual property rights to consumers. Meanwhile there is no evidence of a positive impact on health.

The Australian Senate's decision to remove branding from tobacco packaging opens the door for plain packaging to become a reality. This development, based on the unproven premise that branding promotes smoking, ignores the crucial role that branding plays in providing consumers with high quality, consistent products they can trust. Meanwhile, the intellectual property rights of legitimate companies will be essentially requisitioned.

The extent to which branding promotes smoking must be open to question, with graphic health warnings being so prominent. Branding does however help consumers to understand differences between products, to distinguish between products almost instantly and to buy with total confidence. Branding is also crucial to the working of markets, providing the very basis for competition and encouraging producers to invest in quality, new and better products and stronger reputations. These positive effects have been ignored in Australian policy.

John Noble, Director of the British Brands Group, stated, "Branding fulfils many significant and positive functions for both consumers and markets. Take it away and consumers lose out and markets become commoditised, with price rather than quality being the influencing factor."

Removing branding from packaging is also expected to fuel the trade in counterfeits. Ruth Orchard, Director General of the Anti-Counterfeiting Group, said, "Plain packaging represents an invitation to counterfeiting. If put into practice for the tobacco industry, this could impact on all sectors where counterfeiting is rife. It creates a trading environment where packaging is no longer distinctive and products become easy to replicate illegally."

When branding and intellectual property rights are used to achieve policy goals, it is crucial that policy is grounded on a full understanding supported by robust evidence and that a proportionate approach is adopted. Intellectual property rights, granted by the state and governed by international treaties, must also be taken into account as rights will exist in packaging designs.

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NOTES TO EDITORS

Implementation

The legislation requires companies to comply with the legislation in Australia by 1st December 2012.

Anti-Counterfeiting Group

The Anti-Counterfeiting Group (ACG) is a not for profit trade association, recognised as a leading authority on the worldwide trade in fakes. ACG was founded in the UK in 1980 with just 18 members (mostly in the automotive industry) who discovered that they had a common problem with counterfeits. Today ACG represents over 170 organisations globally, operating in, or providing specialist advice to, most industry sectors where counterfeiting is an issue.

For more information please visit the website: www.a-cg.org.uk.

British Brands Group

The British Brands Group was founded in 1994 as a non-profit-making membership organisation. Its primary role is to provide the voice for brands, speaking out when commercial and regulatory issues threaten the ability of branding to be a positive force in society. Member companies manufacture familiar and popular branded products in a wide range of product categories, of which tobacco is but one.

For more information please visit the website: www.britishbrandsgroup.org.uk.

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