



## 5 Crimes That Go Hand-In-Hand With Counterfeiting



People may hear the word counterfeiting and think of one hustler on the street corner selling fake bags and watches. But counterfeiting is a large-scale and serious crime that has direct negative consequences for consumers, companies, jobs, and society.

A fake necklace or counterfeited MP3 player came down a long chain of criminal activities, such as child labor and unsafe working conditions, or manufacturing with illegal, dangerous materials. Plus, profits from criminal counterfeiting are regularly recycled into other illegal enterprises – continuing the chain of crime.

### Counterfeiting funds global criminal organizations

When consumers buy legit products, revenues and ensuing taxes go to legit sources like employee benefits or fund schools, roads and other essential community services. When we buy counterfeit products, we directly fund criminals. The organizations that benefit from this illicit income are often involved in:

1. Terrorism
2. Illegal weapons trade
3. Human trafficking or “modern slavery”
4. Illegal street drugs
5. Money laundering

Counterfeiting is never a “victimless crime”. Rather, victims of counterfeiting are found throughout the “value-chain”, from poor and disadvantaged people involved in production and distribution of fake goods and consumers risking their lives when buying them, to whole companies and entire communities\*.

*\* Source: Trends in Trade in Counterfeit and Pirated Goods; OECD/EUIPO*

### Understand the dark truth of counterfeiting

Many people unwittingly buy fake goods – they are simply unlucky or unaware. They can educate themselves on what to watch for, and remember the old adage, “Let the buyer beware.”

Other people knowingly purchase fake goods. They do so to get a good deal, perhaps not fully aware of the potential dangers to their health or the extent of the criminality behind counterfeiting. There can never be enough education about counterfeiting!

### Companies take heed – counterfeits never pay off

Not only do consumers need to watch out, but manufacturers need to safeguard against counterfeits as well. Companies work hard to establish a safe, attractive and dependable brand, but competition can be fierce. The temptation to buy cheaper components to lower product prices is always there. But if the components are counterfeit, the company risks everything – from quality to reputation and even survival.