

PRESS RELEASE

Blocking Period: Friday, 26 January 2024, 13:30 h (1:30 p.m.)



Product and brand piracy - a massive threat to the economy, environment and consumers! Negative Award "Plagiarius" brings the extent, damage and background to the public eye

Product and brand piracy is a lucrative business worth billions, also for organised crime. Design plagiarism, cheap counterfeits, dupes and replicas flood websites, e-commerce- and social media platforms - the figures are overwhelming and worrying. The damage that counterfeit products cause to buyers, innovative manufacturers, authorised retailers and, last but not least, the environment is immense. Anyone who deliberately buys counterfeits or encourages third parties to buy them through aggressive advertising or trivialisation is supporting the devastating manufacturing conditions and socio-economic consequences. The same applies to all platform operators who do not actively or preventively stop the sale of counterfeits. The internet is not a legal vacuum. The strict rules that apply in stationary retail also apply in the digital world - they just need to be enforced much more consistently there - especially against providers from third countries.

Plagiarius: Against brazen innovation theft - for creative diversity and fair competition

On 26 January 2024, Aktion Plagiarius awarded its dreaded negative prize "Plagiarius" for the 48th time to manufacturers and traders of particularly brazen plagiarisms and counterfeits. The award ceremony took place during a press conference at the Frankfurt consumer goods trade fair "Ambiente". Before the annually changing jury selects the winners, the alleged plagiarists are informed of their nomination and given the opportunity to comment. The "Plagiarius" award says nothing about whether the counterfeit product is legally permitted or illegal. Aktion Plagiarius cannot pass judgement. However, it can express the opinion that clumsy 1:1 imitations, which deliberately look deceptively similar to the original product, are reckless and morally reprehensible and lead to stagnation instead of progress and diversity. For the first time, the award winners also include well-known platform operators who take action against infringing imitations after being notified by the rights holders, but not proactively and preventively.

Raising awareness / warning of risks / encouraging rethinking and conscious consumption

The aim of the Plagiarius campaign is to raise public awareness of the unscrupulous business methods used by counterfeiters and to sensitise industry, politicians and consumers to the problem in a practical way. Based on the plagiarism cases of affected companies, the association sheds light on the extent, damage and background as well as the various facets and manifestations of product and brand piracy. The trophy of the negative award is a black dwarf with a golden nose. The latter symbolises the immense profits that unimaginative imitators literally earn at the expense of creatives and innovative companies.

Downward spiral: product and brand piracy weakens legal trade and innovative strength

According to the European Commission and the European Union Intellectual Property Office (EUIPO), around 86 million counterfeit goods with an estimated value of over 2 billion euros were confiscated at the EU's external borders and in the EU's internal market in 2022 alone. And these are only the proven seizures by customs and police authorities, i.e. the tip of the iceberg. The EUIPO and OECD put the international trade in counterfeit goods at an alarming 412 billion euros in 2019, which corresponds to 2.5% of global trade.

International counterfeiting rings produce their sometimes dangerously inferior imitations with a great deal of criminal energy and under ethically questionable conditions, without regard for human rights or safety and environmental standards. Plagiarism and counterfeiting weaken the investment and innovative strength of research-based companies, they destroy jobs and slow down economic growth. In order to strengthen legal trade and prevent money laundering, legislators must ensure that the structures of global counterfeiting rings are dismantled and those responsible are deprived of their illegal profits.

Innovations are not created by "copy-paste" - deserved appreciation for creative achievements

From an initial idea to a market-ready product is a demanding process in which the developers or brand owners regularly make financial advance payments. In addition to creativity, technical expertise and experience, every original product also involves a great deal of courage and passion - and high investment costs. This entrepreneurial risk must be worthwhile so that companies can continue to develop innovative products in the future and thus secure progress, jobs, prosperity and competitiveness. Protecting creative ideas and expertise from imitation is therefore essential.

Fact is, imitators are more unabashed than ever in copying products that are already successfully established on the market. Infringing goods are available in all price and quality gradations: From dangerous cheap counterfeits to high-quality, but then also high-priced, plagiarisms. In most cases, the same appearance does not automatically mean the same quality, performance and, above all, safety. Many imitations are made from cheap materials, are poorly manufactured and have not undergone any quality or safety checks. This then manifests itself, among other things, in a short product lifetime, dangerous electronics, poor functionality or very high levels of harmful substances. A "pungent chemical odour" is often mentioned by disappointed buyers and is a typical identifying and distinguishing feature. Returns are expensive or not possible with many suppliers.

The gap between claim and actual action

In recent studies by the EUIPO, most consumers state that they understand the concept of intellectual property and are aware of the origin of counterfeits and the risks to health, safety and the environment. At the same time, a third of respondents consider it acceptable to buy counterfeit goods if the price of the genuine product is too high. This even applies to half of young people. And 26% of 15 to 24-year-olds stated that they had knowingly bought counterfeit goods in the last 12 months. The purchase of illegal products is hypocritically justified. Yet in a globalised world, there are legal, attractive alternatives for every budget. In any case, a cheap fake cannot even begin to copy the value and brand experience of the original. And yet: if the tempting brand counterfeit at a bargain price is just a mouse click away, the otherwise loudly proclaimed demands of Generation Z for authenticity and sustainability are temporarily thrown overboard.

No good role models: dupe influencers are getting paid for advertising illegal fakes

This behaviour is reinforced by so-called "dupe influencers", who recommend fake designer and luxury products to their gullible and easily influenced followers in videos on Instagram, YouTube or TikTok without any scruples. They trivialise the purchase and sale of illegal items and increase social acceptance for illegal products. At the same time, they not only promote a dubious culture of "more appearance than reality", but also a culture of disrespect for brands and the development performance behind quality products.

Online giants from third countries flood the European market with cheap items and fakes

Thanks to high demand and acceptance, Chinese online platforms such as Temu, Shein, DHgate and AliExpress are conquering global markets with their cheap products - including numerous infringing imitations or products that do not fulfil EU product safety regulations. The manufacturers or retailers, mostly from China, often sell directly to end customers. The latter thus become the importer and are liable for third-party damage. The cheap goods are advertised aggressively on all social media; young bargain hunters are enticed to buy regularly with knock-down prices and a wheel of fortune. There is hardly any information about the sellers. The goods are often delivered without the CE mark required for many products and without operating instructions in German. Return shipping in the event of a complaint is often excluded or is more expensive than the cheap product. (Liability) free ride for suppliers from third countries at the expense of European stationary retailers and reputable online suppliers. The sometimes inferior products are transported across the globe and quickly end up in European rubbish bin. This is not sustainable, minimalist consumption. The EU is called upon to ensure stricter regulation and fair conditions for all.

Industry calls on eCommerce platform operators to take proactive action against counterfeiting

Platform operators have intensified their efforts in the fight against product and brand piracy and offer holders of industrial property rights programmes for reporting infringing offers, among other things. Nevertheless, companies from a wide range of industries continue to report plagiarism or even counterfeiting of their products. The fact is that the platform operators earn money from every product sold, whether original or fake. And they usually evade any responsibility by claiming that "their business activities are limited to providing a technical infrastructure". However, it would be technically feasible with AI to block relevant hashtags, proactively detect clearly infringing content and not allow it in the first place, and block or delete illegal content that is repeatedly uploaded. In addition: Numerous sellers from third countries

continue to enter unidentifiable or addressable one-word strings of letters as addresses. Neither rights holders nor buyers have any way of contacting these sellers. Compliance with their own terms and conditions is apparently only checked negligently – and non-compliance obviously has no negative consequences. The industry is calling for platform operators to be held more accountable here. Positive development: The EU Parliament and EU Council recently agreed on a new product liability directive. Once it comes into force, retailers from third countries will always have to name a company based in the EU that can be held liable for the products they sell.

This year's laudatory speaker, Heidi Kneller-Gronen, lawyer and Managing Director of the Federal Association of Online Retailers (BVOH), also calls on politicians: "In order to re-establish an equality of competition and stem the flood of counterfeit and dangerous products, parcels from third countries must be better controlled. There is an urgent need for politicians to take action and provide the authorities with the necessary resources to ensure that rights are effectively enforced. Uncontrolled goods must be prevented from entering the market in the first place - also to protect consumers."

Stricter regulations, tougher penalties and awareness campaigns

In order to successfully combat the problem of product and brand piracy, both supply and demand must be curbed. This requires, among other things: (1) the ordering and enforcement of harsher, deterrent penalties for the production and trade of counterfeits, (2) the prevention of money laundering, (3) stricter regulations for online retailers and consistent enforcement, particularly against participants from third countries (4) proactive action by eCommerce and social media platforms against illegal counterfeits and unsafe products - (5) and more awareness campaigns.

In view of the increase in digital brand infringements, companies must develop digital protection strategies in addition to registering industrial property rights. These include a well-thought-out domain portfolio, AI-supported online monitoring to detect and remove infringing offers and the use of seals of approval for authorised online retailers.

Markets are regulated by supply and demand. It is within the power and responsibility of every consumer to make a conscious decision in favour of safe, legal products from reputable manufacturers and retailers - and thus deprive counterfeiters of their business basis. Because it does matter whether the brand is only on the product or also within it. And because health, safety and environmental protection concern everyone.

Plagiarius Award winners 2024 from Febr. 2, at the Museum Plagiarius and at external exhibitions

In its unique exhibition, the Museum Plagiarius in Solingen is showing more than 350 Plagiarius Award winners from a wide range of industries - with a direct comparison of the original product and the plagiarised product. Guided tours provide facts and background information. Exhibits can also be booked from Aktion Plagiarius for individual external exhibitions - as can lectures about brand- and product piracy.

The Award Winners 2024 of the Negative Award “Plagiarius”

The jury met on December 01 + 02, 2023 and awarded three main prizes, two new special awards and four distinctions that are equal in rank.

1. Prize

Glass series „DENK’ART“ (Champagne-, Universal-, Bordeaux- and Burgunderglass)

Originals: ZALTO Glas GmbH, Gmünd, Austria

Plagiarisms: Bayerische Glaswerke GmbH, Neustadt a.d. Waldnaab, Germany

In 2004, Zalto launched the "DENK'ART" glass series, which is popular with winegrowers, top gastronomy and consumers, and hand-blown according to traditional craftsmanship. In 2020, Bayerische Glaswerke GmbH presented its machine-made "Definition" glass series, which it says is based on two of its own older glass series. Neither company has applied for design protection. A lawsuit is currently pending between the renowned companies. Regardless of how the court decides with regard to possible unfair competitive behaviour, the jury found that the 4 glass types in the "Definition" glass series look confusingly similar to the 4 most successful glass types in the Zalto series and that fair competition between respected competitors looks different. In its statement before the jury meeting, Bayerische Glaswerke GmbH explicitly referred to "freedom of imitation" and denied that there is any legal or moral wrongdoing.

2. Prize

Playing Kit „LEGO Creator 10252 – VW Beetle“

Original: Volkswagen AG, Wolfsburg, Germany

Counterfeit: GDR-Trading BV, Meppel, The Netherlands

The iconic VW Beetle is protected throughout the EU as a 3D trade mark, meaning that the three-dimensional Beetle shape is a trade mark of its own. Self-evidently, Volkswagen has also protected the famous "VW in a circle" trade mark worldwide. In this case, both the Beetle 3D trade mark and the "VW in a circle" trade mark are infringed. In addition to the kit for the VW Beetle, GDR-Trading also offered other counterfeits via its online shops in Germany, Sweden and the Netherlands. The fakes were advertised with photos of the original kits and the claim "that the finished model looks true to the original". The counterfeits were delivered in plastic bags wrapped in bubble wrap. GDR has signed a cease-and-desist declaration and provided information on sales figures. Some of the counterfeits cost half the price of the original licence kits, which is reflected in the lack of stability and quality of the finished products.

3. Prize

CUBORO Marble Run „STANDARD 32“

(Educational game / learning method in schools / CUBORO championships)

Original: Cuboro AG, Bern, Switzerland

Plagiarism: Manufacturer of the "Easycool"-Plagiarisms (Distribution via taobao.com):
Zaozhuang Yike Electromechanical Equipment Co., Ltd., Shandong, PR China

The entire, multi-award-winning CUBORO marble run system consists of over 100 different elements. It trains fine motor skills, strengthens spatial imagination and stimulates creativity. Invented by Matthias Etter in the 1970s, CUBORO now inspires children and adults in more than 30 countries, including Asia. The original cubes are produced in a family carpentry workshop from certified "Swiss wood" from sustainably managed beech forests. All elements are pure natural products, chemically untreated. Concept theft: Easycool copies almost all CUBORO products, in some cases including packaging, photos, functional graphics, awards and designations of origin. They advertise the counterfeits as "compatible with CUBORO". Easycool has been trying to poach Cuboro's European dealers directly since 2023. The counterfeits cost 50% of the original.

Two new Special Awards (equal in rank) were awarded

Special Award „Online-Marketplace for Hyenas“

Cutlery-Set „KLIKK POCKET“ for on the go (3 pieces)

Originals: koziol »ideas for friends GmbH, Erbach, Germany

Plagiarisms: (1) TEMU.com, Whaleco Technology Limited, Ireland

(2) ALIBABA.com Singapore E-Commerce Private Limited, Singapore

(3) FRUUGO.com Limited, Great Britain

(Only) the Koziol original is robust, 100% recyclable and made in Germany. After SHEIN (Plagiarist 2022), countless dealers of cheap 1:1 copies of the design-award-winning Koziol reusable cutlery are now also allowed to spread out on TEMU, ALIBABA and FRUUGO and offer their inferior plagiarisms at knock-down prices. Although the offers are removed after reference is made to the EU-wide design protection for the cutlery, they are not actively and automatically prevented, despite knowledge of the property rights. It would be easy: all retailers use the same advertising texts and photos. It's like the "Groundhog Day" - a recurring annoyance. The major platform operators generously allow Chinese suppliers to get away with violations of general terms and conditions and fair trade, while neglecting their responsibility towards Western manufacturers and retailers. Theoretical promises and practice are still far apart.

Special Award „Creative Freeloader“

T-shirt „PUMA“-Logo

Original: PUMA SE, Herzogenaurach, Germany

Counterfeit: Streetwall 68 GmbH, Wülfrath, Germany

The supposedly humorous alteration, which appears creative at first glance and may cause a brief smile, represents a serious infringement of the word/figurative mark for renowned brand manufacturers such as Puma. "PUMA" becomes "PUMBA" - the leaping wild cat becomes the leaping warthog Pumbaa from Walt Disney's "The Lion King". In fact, this parody copies all the key structural features of the Puma logo: the same font, the leaping animal. Due to the high recognition value of the well-known brand, the parody attracts attention that another Pumba depiction could not achieve. The good reputation of the well-known trade mark is being unfairly exploited. The Hamburg Regional Court also confirmed this and prohibited Streetwall from offering T-shirts in the EU with Pumba lettering and the outline of a warthog in a stretched jump.

Four Distinctions (equal in rank) were awarded

Distinction

Sofa „PLANOPOLY MOTION 4.0 1926“

Original: himolla Polstermöbel GmbH, Taufkirchen (Vils), Germany

Plagiarism: Upholstered furniture manufacturer with headquarters and production in Poland

The "Model 1926" sofa from himolla, which is protected by a registered design, was launched in 2018 and quickly became a bestseller. The special features are the (then new) electrically height-adjustable headrests and the new design language with a pointed cushion look. In 2021, several imitations went on sale - this copy even imitated the curved metal feet. In its judgement against the Polish company, the Cologne Regional Court confirmed that the overall impression of both sofas was identical despite minimal differences. The imitator had to pay damages and remove remaining stock from the market. In principle, the density of upholstered furniture is an important indicator of the quality of the foam in the seat cushions and backrests. If the density is too low, this may have a negative impact on seating comfort, shape retention and product life.

Distinction

Garlic Press „Knobi King“

Original: Leifheit AG, Nassau, Germany

Plagiarism: Distribution: HS Plus d.o.o., Trgovina in Storitve, Trzin, Slovenia

Manufacturer: Spatz Global Limited, Hong Kong, PR China

Leifheit has protected its successful Knobi King garlic press with a registered design right valid throughout the EU (so-called Community design). The practical stainless steel kitchen aid sits comfortably in the hand thanks to its ergonomic design. Thanks to the punched perforated plate, garlic cloves are not crushed, but cut into very small cubes. Numerous imitators from all over the world clumsily copy the popular design 1:1. The imitations are usually sold at a fraction of the original price and in correspondingly inferior quality, sometimes with a risk of injury. To protect its brand and to protect consumers, Leifheit consistently warns off imitators and has the infringing (online) offers deleted. Imitation is therefore not worthwhile.

Distinction

Gear Knob „DSG“ of the VW Golf 6

Original: Volkswagen AG, Wolfsburg, Germany

Counterfeit: Sales: Amazon Export Sales LLC, Seattle, U.S.A.

Distribution via AMAZON.de (Operator: Amazon Europe Core S.à.r.l. Luxemburg)

As a platform operator, Amazon earns money from every sale - regardless of whether it is an original product or a counterfeit. At the same time, Amazon itself acts as a seller of products - including counterfeits: "DSG" is a registered trademark of VW for the gear knob of the VW Golf 6. Amazon US offers the Chinese counterfeit at a third of the original price on Amazon.de. Unprofessional: Amazon US has shown no reaction whatsoever to a warning letter from VW. And the technical operator of the Amazon.de website (see above) also denies any responsibility. Insufficient: Although VW has already deleted numerous counterfeits via the "Amazon Brand Registry", DSG counterfeits continue to appear, i.e. Amazon does not take any technical precautions to ensure that they are blocked or deleted as soon as they are uploaded.

Distinction

Bimetal Thermomanometer (Pressure- and Temperature Measuring)

Original: WIKA Alexander Wiegand SE & Co. KG, Klingenberg, Germany

Counterfeit: Distribution: via EBAY.de - eBay GmbH, Kleinmachnow, Germany

Seller according to eBay: Company „shenzhenshihongqiaoshanfuzhuangyouxiangongsi“ (Username oi98-53 – „Top rating - one of the best sellers on eBay“)

Shipping / Delivery: ShunShun GmbH, Linkenheim, Germany

WIKA vs. WAYI - VIKA - VIKAI. The "WIKA" brand of the internationally renowned specialist for measuring technology is often counterfeited. It is always surrounded by the distinctive, extra brand-protected blue frame open at the top right - here mirror-inverted on WAYI. In Asia, WIKA is taking consistent and successful action against any infringements of its (word) trade marks. In Germany, eBay is demanding a court judgement and only provides the contact details provided by the seller. Problem: The address of the Chinese seller consists of an unidentifiable one-word string of letters and the German sender cannot be contacted either. In its terms and conditions, eBay requires up-to-date, correct contact information. The practice looks different - and so does fair competition for European manufacturers and retailers.

The Jury of the Plagiarius-Competition 2024:

Each year the jury is put together individually with specialists from diverse industries. The following persons formed this years' jury:

Lars Adler, Managing Director HOFF-INTERIEUR GmbH & Co KG, Nuernberg, Germany
Chairman of the European Association Lifestyle

Richard Frank, Director Global Engineering, Britax Römer Kindersicherheit GmbH, Leipheim, Germany

Birgit Herzberg-Jochum, Vice Director / Consultant for design promotion
Design Center Baden-Württemberg, Stuttgart, Germany

Dr. Anke Nestler, Senior Managing Director, Economic and Financial Consulting, FTI Consulting, Frankfurt, Germany

Jan Philippi, Managing Director PHILIPPI GmbH, Henstedt-Ulzburg; Germany

Legal Advice:

Dr. Alik Busse, Certified IP-Lawyer / Partner, Maiwald GmbH Intellectual Property, Munich, Germany

The **award ceremony of "Plagiarius 2024"** took place during the Consumer Goods Trade Fair "Ambiente" at the Frankfurt Fair on Friday, **26, January, 2024, 12:30 (noon)**

The **'laudatory speech'** on the prize winners was made by **Heidi Kneller-Gronen**, Lawyer and Managing Director of the Federal Association of Online Retailers (BVOH).

The Plagiarius prize winners will be presented at the **Special Show "Plagiarius"** from January 26 - 30, 2024 at the **Foyer of the Portalhaus**, Frankfurt Trade Fair.

The prize winners 2024 will be presented in the Museum Plagiarius from February 02, 2024.

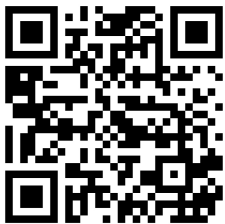
Contact / Download

Download Text and Photos:



www.plagiarius.com:

- Press Release ("**Press**")
- Press Photos ("**Competition**")



Zip-file with all data:

www.plagiarius.de/preistraeger-2024

Content (ZIP-File) - each German and English

- Press Release 2024
- Photos of the prize winners 2024
- Captions for Press Photos 2024
- Photo: Plagiarius Trophy

Copyright Photos: Aktion Plagiarius e.V. (www.plagiarius.com)

Exceptions: Photo Sofa: himolla Polstermöbel GmbH // Photo T-shirt: PUMA SE

All photos show: **Left or middle:** Original(s)
Right or around: Plagiarism(s) / Counterfeit(s)

Reprint: free // **Blocking Period: January 26, 2024, 13:30 h (1:30 p.m.)**

Aktion Plagiarius e.V.
Nersinger Strasse 18
89275 Elchingen, Germany

Tel: + 49 (0)7308 – 922 422
info@plagiarius.com
www.plagiarius.com

<https://www.linkedin.com/company/aktion-plagiarius-innovation-vs-imitation>