# PRESS RELEASE

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## Negative Award "Plagiarius" sheds public light on shameless counterfeits!

Plagiarisms and counterfeits are unimaginative, morally reprehensible and lead to stagnation. Often produced cheaply and under inhuman working conditions, they sometimes cause damage to innovative manufacturers that threaten their very existence. They also pose safety risks for buyers that should not be underestimated. With lucrative profits in mind, the counterfeiters are willing to accept all of this. The explosive spread of product and brand piracy is encouraged by globalisation, digital communication, the internet and gullible (online) bargain hunters.

### Plagiarius: Against brazen theft of ideas, for more fairness and respect

The negative prize "Plagiarius", created by the designer Prof. Rido Busse, was awarded for the 43rd time on February 08, 2019 at the Frankfurt consumer goods fair "Ambiente". Since 1977, Aktion Plagiarius e.V. has been awarding the dreaded 'anti-prize' to manufacturers and distributors of particularly bold plagiarisms and counterfeits. The aim is to raise public awareness of the clumsy and unscrupulous business practices of product and brand pirates and to sensitise industry, politics and consumers to the problem. At the same time, the association emphasizes the importance and effectiveness of industrial property rights. It also increases consumers' appreciation of creative accomplishments by showing them that the development of a product from the initial idea to marketability costs a lot of time, money, know-how and innovative energy. Thus, the "Plagiarius"-trophy – a black gnome with a *golden nose* - is a symbol of the exorbitant earnings product pirates collect at the cost of creative people and industry. This gnome was created to express the German aphorism "to earn oneself a golden nose" which means, "to earn a fortune".

Law vs. morality - even 'freedom of imitation' does not legitimise misrepresentation of origin The "Plagiarius" award remains silent about on whether a plagiarism is legal or otherwise. Aktion Plagiarius does not, nor wants to, pass judgement. However, the campaign may draw attention to injustice. Before the annually changing jury selects the winners, the alleged plagiarisers are informed of their nomination and given the opportunity to comment. In addition to case-related information, these reactions are also included in the evaluation if they are made. The jury definitely does not want to denounce legally competing products that differ sufficiently in design and technology. The intention is rather to focus on crude 1:1 imitations that deliberately resemble the original product in a confusing way and that do not show any creative or constructive contribution of their own. Fortunately, numerous imitators have already sought an agreement with the original manufacturer out of fear of public disgrace and bad publicity and, for example, have taken remaining stocks of the plagiarism off the market, signed cease-and-desist declarations or revealed suppliers.

## A trivial offence? A compliment? Not at all. Pure greed for profit!

Plagiarisms and counterfeits do not happen "by mistake". The imitators act deliberately. Both, for lack of own ideas, as well as from greed for profit. Without inhibition, they copy products that are successfully established on the market. The manifestations range from design plagiarisms to technology theft to brand forgeries. The counterfeit goods are offered for sale in all price and quality gradations: From cheap and dangerous counterfeits to high-quality plagiarisms that are hardly cheaper or even more expensive than the original product. The consequences for the original manufacturers: loss of sales, loss of jobs, unjustified liability risks as well as lack of earnings for future product developments and thus, progress. Especially in times of social media and influencer marketing, unjustified damage to a brand's reputation is usually even more serious for a brand name producer than financial damage. Disappointed customers turn away from the brand faster than ever in view of the multitude of alternative providers and influence friends and followers across the globe with their experiences, opinions and recommendations.

#### Appearances are deceptive: Security risks of plagiarisms high, but not always visible

Original and plagiarism are only deceptively similar at first glance. The same appearance does not necessarily mean the same quality, performance and above all safety. Consumers should not indulge in this illusion with blue eyes. They should not participate out of ignorance, lack of awareness of injustice or a lack of appreciation for the original product and certainly not on the hunt for the supposedly best bargain or status symbol. Markets are regulated by supply and demand. Therefore, it is the responsibility of every consumer to consciously decide against junk with labels of criminals - and for his / her own safety.

Especially when shopping on the Internet, consumers should take a close look and not click on "buy" quickly and uncritically. They should check carefully, the general seriousness of the provider as well as imprint, payment conditions (attention with "only on advance payment"), revocation possibilities etc..

#### Customs confirms increase in counterfeit goods with potential dangers

According to the EU Commission, in 2017 alone, the European customs authorities confiscated more than 31 million infringing products with a total value of over 580 million Euros at the EU's external borders - and that is only the tip of the iceberg. The fact that the proportion of counterfeit, potentially dangerous goods is increasing is alarming. Customs and Interpol have already taken the following products out of circulation in recent years: Contaminated perfumes and cosmetics, technical products with defective electronics, adulterated foodstuffs, faulty or contaminated children's toys, medicines that are wrongly dosed or not dosed at all and much more.

This year's laudator, Prof. Dr. Prof. h.c. Arndt Sinn, Director of the Centre for European and International Criminal Law Studies at the University of Osnabrück, summarised the negative effects in his speech as follows: "The illegal trade in counterfeit products also has harmful effects on national economies: Innovation and revenues are declining and tax revenues and employment rates are falling. If the illegal profits are then introduced into the legal financial cycle through money laundering, the legal markets are undermined, which is ultimately of importance to society as a whole."

China: Counterfeiting nation, workbench of the West - and on the way to "Made-in-China 2025" Customs statistics clearly show that China remains by far the main country of origin of counterfeit goods. Against this background, at every meeting with Chinese government representatives, politicians from all industrial nations address the problems of Western companies with regard to product piracy and unfair barriers to market access.

At the same time, however, China has been pursuing its ambitious ten-year plan "Made in China 2025" for years with vigour and billions in investment: The country wants to catch up with the technologically leading industrial nations. They want to move away from being the extended workbench of the West to become a serious competitor on the world markets. China's strategy also includes the targeted acquisition of Western companies that occupy key advanced technologies. Western governments and companies are slowly realising the danger that this development poses for their own competitiveness on the global markets and are beginning to take countermeasures.

## A global problem with many profiteers along the value chain

Customs statistics only consider goods that should be imported from third countries into the respective territory (e.g. EU or U.S.A.), they do not cover infringements within this region. The fact is however, unfair imitations are often also produced, distributed or even commissioned in industrialised countries. This is often done by competitors with poor ideas or former production or distribution partners. Competitors very specifically check the existence of industrial property rights. If none are registered, aspirations and scruples are thrown overboard and external design and technology solutions are issued as one's own achievement. This is proven by the experience of both, Aktion Plagiarius and VDMA, the German Engineering Association. In the current VDMA product piracy report, China was clearly the No. 1 country of origin for counterfeit products. Nevertheless, Germany once again followed in second place with 19% and Italy in third place with 18%.

Plagiarius prize winner products 2019 presented in Museum Plagiarius from February 15 In its unique exhibition, the Museum Plagiarius presents more than 350 Plagiarius prize winners from a wide variety of industries – the originals and plagiarisms in direct comparison. Also on display: Typical counterfeit brands confiscated by customs. Exciting facts and details are conveyed in guided tours. www.museum-plagiarius.de.

## The Prize Winners of the Plagiarius-Competition 2019:

The jury met on January 12, 2019. Three main prizes, six distinctions (equal in rank) and one special prize were awarded; total entities:37.

#### 1. Prize

Angle Seat Valve "Type 2000" (Use: Steam applications e.g. in the textile industry)

Original: Bürkert Werke GmbH & Co. KG, Ingelfingen, Germany

Plagiarism: Ningbo ACME Industrial Automation Co., Ltd., Ningbo, PR China

The imitator copied a whole product line. He infringes both, the internationally registered figurative mark (4 stripes) and the design (i.a. China). The 1:1 copy of the valve features all Bürkert-typical design elements, such as the frames around the numbers at the brass valve body, so that there is high risk of confusion.

#### 2. Prize

#### Toy Excavator "Liebherr Articulated Road Loader"

Original: BRUDER Spielwaren GmbH + Co. KG, Fuerth, Germany Plagiarism: Manufacturer: Hengheng Toys Factory, Shantou, PR China

Distribution: The German vendor of the plagiarism has signed a cease- and desist

declaration and paid a compensation fee

The plagiarism is smaller, but design, technology and proportions are a 100% copy of the original product. The cheap materials (shell, wheels...) and the poor workmanship (instable, loose small parts) reflect the inferior quality.

#### 3. Prize

#### Cast Iron Roaster "Staub Cocotte"

Original: ZWILLING J.A. Henckels AG, Solingen, Germany

Plagiarism: Manufacturer: Zhejiang Keland Electric Appliance Co., Ltd., Zhejiang, PR China

Distribution: diverse German and European vendors have signed cease- and desist

declarations

The imitator has copied 1:1 all characteristic design features of the original; however, the plagiarism is not made of premium cast iron but of cheap aluminium and costs only one tenth of the original. The original roaster has been adjudged ,competitive individuality.

## Six "Distinctions" (equal in rank) were awarded:

#### **Busch-Presence detector KNX**

Original: Busch-Jaeger Elektro GmbH, Luedenscheid, Germany

Plagiarism: Hefei Ecolite Software Co., Ltd., Hefei, PR China

Design and functionality are a brazen 1:1 copy of the original. However, the plagiarism is weaker in performance and the detection range is smaller. Busch-Jaeger has registered design patents i.a. in the EU and also in China.

#### Hand Shower "Croma Select S Multi"

Original: Hansgrohe SE, Schiltach, Germany

Forgery: Cixi City Changhe Ainuohua Sanitary Ware Factory, Zhejiang, PR China

Plagiarism: Cixi City Changhe Yihao Sanitary Factory, Zhejiang, PR China

Both imitators violate Hansgrohe's design rights in China. For the counterfeit even "hansgrohe" in Chinese characters is used, for which trademark rights exist. The plagiarism is offered via WeChat. The copies cost the equivalent of Euro 0.85 / 0.89 and are correspondingly inferior in material and product quality.

### Electric Water Pump "CWA 200"

Original: MS Motorservice International GmbH, Neuenstadt, Germany

Plagiarism: Zhejiang Hongchen Auto Parts Co Manufacturing Co., Ltd., Zhejiang, PR China

Rheinmetall Automotive, which also owns the Aftermarket specialist Motorservice, successfully sued the imitator in Germany because of patent infringement and slavish imitation. Laboratory examination revealed that the plagiarism is weak in performance and has a deficient electronic system. If the pump fails, the motor will overheat and serious secondary failures may arise.

#### **Bikebasket**

Original: Reisenthel Accessoires GmbH & Co. KG, Gilching, Germany

Plagiarism: Chinese Bicycle Factory, Hebei, PR China

The overall impression of original and plagiarism is identical; however, the plagiarism is inferior regarding materials and workmanship. The German vendor of the plagiarism has signed a cease- and desist declaration.

#### Handlebar adapter "KLICKfix"

Original: Rixen & Kaul GmbH, Solingen, Germany

Plagiarism: Manufacturer: Tianjin Jiawei Hongfa Plastic Mold Co., Ltd., Tianjin, PR China

Distribution: via an Italian manufacturer of bike baskets

The imitator has copied 1:1 the design, functionality and colours of the original product, so that there is danger of confusion. However, with regard to material and workmanship the plagiarism is extremely cheap. The Italian company denies the distribution of the plagiarism despite clear evidence.

### Silicone Mould "ECLIPSE" (for foods)

Original: SILIKOMART S.r.I., Mellaredo di Pianiga, Italy

Plagiarism: Manufacturer: unknown, PR China

The product design is a 100% copy of the original product. Likewise (almost) identical - and therefore misleading - are packaging design, company name and product name. The poor quality silicone is highly unlikely to have undergone the post curing process, which is obligatory for products that are in contact with foods.

## The following "Special Prize" was awarded:

### "Hyena-Prize"

#### **Motion Detector "IS 1"**

Originals: Steinel GmbH, Herzebrock-Clarholz, Germany Plagiarisms: Manufacture: Diverse Chinese companies

Distribution: 1-4: Poland 5-7: Germany 8-9: Hungary

10-11: Spain 12: Denmark 13: Great Britain

14: Lithuania 15: The Netherlands 16: Austria17: Portugal 18: Czech Republic 19: Turkey

The Steinel motion detector IS 1 was launched in 2006. Diverse Chinese manufacturers copy 1:1 the successful design (not limited by technology), partly in cheapest quality. One firm registered a Community Design (EU) for its plagiarism, which was declared unvalid. The 19 plagiarisms shown are being distributed in 12 European countries; some could be withdrawn from the market due to unfair competition. Challenging is the sheer quantity of imitations.

## The Jury of the Plagiarius-Competition 2019:

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

#### **Ulrich Demuth**

Head of IPR, Patents and Trademarks, WIKA Alexander Wiegand SE & Co. KG, Klingenberg, Germany

#### Prof. Dr. Marion Halfmann

Vice-President for Studies, Teaching and Continuing Training, Rhine-Waal University of Applied Sciences, Kleve, Germany

#### **Johannes Kraft**

Managing Director, authorized.by | Stayble Market GmbH, Munich, Germany

#### Werner Schneider

Certified Public Accountant / Certified Tax Advisor (Of Counsel), SGP Schneider Geiwitz & Partner Public Accountants Tax Advisors Attorneys PartGmbB, Neu-Ulm, Germany

#### Dr. Harald Seitz

Head of Customer Care and Services, German Patent and Trade Mark Office, Munich, Germany

#### **Katrin Terpitz**

Journalist Companies & Markets, Handelsblatt GmbH, Duesseldorf, Germany

## **Christiane Wachsmann**

Curator HfG Archive Ulm, Germany

#### Legal Advice:

#### Dr. Aliki Busse

Certified IP-Lawyer, Lawfirm Busse & Partner, Munich, Germany

The **award ceremony of "Plagiarius 2019"** took place during the Consumer Goods Trade Fair "Ambiente" at the Portalhaus of Frankfurt Fair in Room "Transparenz" on Friday, **February 08**, **2019**, **1:00 p.m**.

The 'laudatory speech' on the prize winners was made by Prof. Dr. Prof. h.c. Arndt Sinn, Director of the Centre for European and International Criminal Law Studies at the University of Osnabrück. The Plagiarius prize winners 2018 and 2019 will be presented at the Special Show "Plagiarius" from February 08-12, 2019 at the Foyer 5.1. / 6.1.

The Plagiarius prize winner products 2019 will be presented in the Museum Plagiarius in Solingen from February 15, 2019.

### Contact

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Press Download: (individual): www.plagiarius.com

Press Release ("Press") / Photos of Prize winners ("Competition") or:
Zip-file with all data (40 MB): www.plagiarius.de/preistraeger-2019

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