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WELCOMING REMARKS OF
WILLIAM J. BOWE
AT THE 1995 ANNUAL MEETING
OF MEMBERS OF THE INTERNATIONAL
ANTICOUNTERFEITING COALITION
AT THE WALT DISNEY WORLD DOLPHIN HOTEL
APRIL 27, 1995

**GREETINGS AND WELCOME TO THE 1995 ANNUAL MEETING
OF THE INTERNATIONAL ANTICOUNTERFEITING COALITION. I AM
BILL BOWE, CHAIRMAN OF THE IACC.**

**WE HAVE A GREAT VENUE FOR OUR MEETING THIS YEAR. I
WOULD LIKE TO THANK THE IACC STAFF, BEGINNING WITH JOHN
BLISS, OUR PRESIDENT, AS WELL AS EPHRAIM COHEN, MANAGING**

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DIRECTOR, AND GEORGE ABBOTT, OUR NEW COMMUNICATIONS DIRECTOR, FOR ALL OF THEIR EFFORTS IN MAKING THIS GATHERING A GREAT SUCCESS. OUR THANKS SHOULD GO AS WELL TO OUR MEETING PLANNERS AT WILLIAM T. GLASGOW.

FINALLY, WE NEED TO THANK THE WALT DISNEY COMPANY, AND ITS REPRESENTATIVES, BOB OGDEN AND JUDY DENENHOLZ. THEIR EXTRA EFFORTS AND COURTESIES WILL MAKE SURE NO ONE LEAVES ORLANDO WITHOUT HAVING HAD A GREAT TIME, WHILE AT THE SAME TIME CONTRIBUTING TO DISNEY'S RESULTS IN THE CURRENT QUARTER.

BEFORE JOHN BLISS OUTLINES OUR ACTIVITIES IMMEDIATELY AHEAD, I WANTED TO TAKE A FEW MINUTES TO HIGHLIGHT FOR YOU WHERE THE IACC HAS BEEN SINCE WE MET LAST YEAR IN SEATTLE, AND THE MAJOR INITIATIVES ON TAP FOR THE COMING YEAR.

FIRST OF ALL, THE IACC IS GROWING AGAIN. THE MANY NEW AND DIVERSE MEMBERS WHO HAVE JOINED THE IACC IN THE LAST YEAR ARE A TESTAMENT TO OUR ORGANIZATION'S ABILITY

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**TO MEET THE NEEDS OF MANY DIFFERENT KINDS OF INDUSTRIES
SUFFERING FROM THE HARMFUL EFFECTS OF COUNTERFEITING,
DOMESTICALLY AND ABROAD. OUR MOST RECENT NEW
INTELLECTUAL PROPERTY OWNING MEMBERS INCLUDE THE WELL-
KNOWN GLOBAL BRANDS BURGER KING, GILLETTE, PHILLIP
MORRIS, REEBOK, TIMBERLAND, TOYS R US, AND RESORT
CONDOMINIUMS INTERNATIONAL.**

**I WOULD ALSO LIKE TO WELCOME THE FOLLOWING
INVESTIGATORS, PRODUCT SECURITY COMPANIES AND
ATTORNEYS:**

CERTIFIED SYSTEM INTERNATIONAL

DECISION STRATEGIES

MERRIFIELD

PINKERTON INVESTIGATIONS

RISK MANAGEMENT

FALCONI, PUIG & ASOCIADOS

KALISH & GILSTER

MALLOY & MALLY, P.A.

RHODES, COATS & BENNET, L.L.P.

SHERBURNE, POWERS & NEEDHAM, p.c.

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BIOCODE INC.

ONE OF THE REASONS THE IACC THESE DAYS IS ABLE TO GET A PROMPT HEARING OF ITS PARTICULAR MEMBERS' CONCERNS WITH GOVERNMENT POLICY MAKERS, HERE AND OVERSEAS, IS THAT OUR MEMBERS' GROSS REVENUES ARE ROUGHLY THE EQUIVALENT OF 10% OF THE U.S. GROSS NATIONAL PRODUCT. AS TRADE ASSOCIATIONS GO, THE IACC MAY BE MODEST IN THE SIZE OF ITS STAFF, BUT IT CARRIES A BIG STICK.

I AM REMINDED OF WHAT DANIEL WEBSTER SAID ABOUT DARTMOUTH IN 1818. HE SAID, "IT IS, SIR, AS I HAVE SAID, A SMALL COLLEGE AND, YET, THERE ARE THOSE WHO LOVE IT." WELL, THE IACC IS A SMALL TRADE ASSOCIATION, BUT THERE ARE THOSE WHO LOVE IT.

ONE OF THE REASONS THE IACC IS SUCCEEDING IS THAT IT IS PRODUCING FOR ALL ITS MEMBERS, WITH A BROAD AGENDA OF STATE AND FEDERAL LEGISLATIVE AND ENFORCEMENT INITIATIVES AND A NEW INTERNATIONAL FOCUS.

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ON THE DOMESTIC SIDE OF THINGS, THE IACC IS PUSHING VERY HARD TO HAVE THE CONGRESS ENACT THE ANTICOUNTERFEITING CONSUMER PROTECTION ACT OF 1995. THIS NEW FEDERAL LEGISLATION HAS A NUMBER OF IMPORTANT PROVISIONS THAT WILL, WHEN ENACTED INTO LAW, HAVE AN ENORMOUSLY BENEFICIAL EFFECT ON OUR MEMBERS.

IT WILL LET ALL FEDERAL OFFICERS ASSIST IN MAKING EX PARTE SEIZURES OF COUNTERFEIT MERCHANDISE. STATUTORY DAMAGES WILL BE AVAILABLE AT THE DISCRETION OF THE COURT AS AN ALTERNATIVE TO ACTUAL DAMAGES. TRAFFICKING IN COUNTERFEIT GOODS WILL IMPLICATE THE CRIMINAL RACKETEERING STATUTE. VEHICLES USED IN COUNTERFEITING WILL BE ABLE TO BE SEIZED. NEW STATISTICAL INFORMATION ON COUNTERFEITING WILL BE GENERATED.

THE CUSTOMS SERVICE WILL NO LONGER BE PERMITTED TO RE-EXPORT PIRATED MERCHANDISE, BUT WILL BE REQUIRED TO DESTROY ALL COUNTERFEIT MERCHANDISE, ABSENT THE OWNER'S CONSENT. ALSO, CUSTOMS WILL BE PERMITTED TO IMPOSE A CIVIL FINE ON THOSE INVOLVED IN THE IMPORTATION

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**OF COUNTERFEIT GOODS IN AN AMOUNT EQUAL TO THE MARKET
VALUE OF THE MERCHANDISE HAD IT BEEN GENUINE.**

**NOT A BAD WISH LIST. AND IT'S A WISH LIST WE'RE GOING
TO MAKE HAPPEN THIS COMING YEAR WITH YOUR HELP.**

**THANKS TO STATE REPRESENTATIVE JIM KING AND HIS
SPONSORSHIP OF OUR ANTICOUNTERFEITING LEGISLATION,
FLORIDA MAY SOON HAVE A TOUGH NEW LAW TO USE AGAINST
COUNTERFEITERS. THE FLORIDA HOUSE OF REPRESENTATIVES
PASSED OUR BILL 117 TO 0 VERY RECENTLY, AND THE SENATE IS
EXPECTED TO TAKE UP THE MEASURE SOON.**

**WE ALSO WORKED WITH THE SOUTH CAROLINA SECRETARY
OF STATE'S OFFICE TO ENACT INTO LAW STRONG
ANTICOUNTERFEITING LEGISLATION.**

**MAINE, ILLINOIS AND MASSACHUSETTS ARE ALSO TARGETS
FOR PROPOSED LEGISLATION.**

TURNING TO STATE JUDICIAL PROSPECTS, THE IACC FILED

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AN AMICUS BRIEF WITH THE INDIANA APPELLATE COURT IN THE SHIPSHEWANA FLEA MARKET CASE, JACOBS V. STATE. IN ADDITION, WITH THE ABLE AND GENEROUS ASSISTANCE OF TONY KEATS OF BAKER & HOSTETLER, THE IACC FILED AN AMICUS BRIEF BEFORE THE NINTH CIRCUIT FEDERAL COURT OF APPEALS IN AN IMPORTANT CASE TO MANY OF OUR MEMBERS, FONOVISA, INC. V. CHERRY AUCTION, INC.

WE WERE EQUALLY ACTIVE IN STATE ENFORCEMENT PROJECTS, SUCH AS THE CANAL STREET PROJECT, DESIGNED TO ROOT OUT COUNTERFEITS IN LOWER MANHATTAN, AND THE EFFORT BOB OGDEN LED THAT BROUGHT TOGETHER A CONFEDERATION OF IP OWNERS INTENT UPON CLEARING FLORIDA SWAP MEETS OF COUNTERFEITS.

THE IACC ALSO DIPPED ITS TOE INTO CYBERSPACE WITH THE RECENT CREATION OF AN ELECTRONIC BULLETIN BOARD TO GIVE MEMBERS ACCESS TO DATABASES CONTAINING PAST CASES AND CURRENT LEGISLATION. THE BULLETIN BOARD IS ALSO A MEANS TO LINK MEMBERS WITH SHARED CONCERNS SO THAT THEY CAN COMMUNICATE ABOUT RELEVANT ISSUES.

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ANGELO MAZZO AND BRIAN BROKATE CONTINUE THEIR FINE WORK IN ORGANIZING AND RUNNING SEMINARS AROUND THE COUNTRY IN CONNECTION WITH THE IACC'S CUSTOMS AND NATIONAL LAW ENFORCEMENT TRAINING SEMINARS.

TURNING TO PRESS ACTIVITIES, WE REDOUBLED OUR EFFORTS TO INTEREST THE MEDIA IN OUR STORY.

IMPORTANT AND WELL-RESEARCHED PIECES APPEARED IN THE WASHINGTON POST, THE FORT LAUDERDALE SUN SENTINEL, AND WOMEN'S WEAR DAILY. A FOUR-PAGE COVER STORY ENTITLED "THE NEW PIRACY, ORGANIZED CRIME'S NEWEST MULTI-BILLION DOLLAR SCAM" APPEARED IN THE BOSTON PHOENIX.

THAT STORY LED TO JOHN BLISS APPEARING ON THE MORNING NEWS PORTION OF ABC'S "GOOD MORNING AMERICA" AS PART OF A FOUR-MINUTE PIECE ON COUNTERFEITING. APPROXIMATELY 14 MILLION AMERICANS POSSESSED A BETTER UNDERSTANDING OF THE HARM CAUSED TO OUR SOCIETY BY COUNTERFEIT GOODS AS A RESULT OF JOHN'S APPEARANCE.

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FOLLOWING THE MEETING IN MAY, W-H-I-O IN OHIO WILL RUN A THREE-DAY STORY ON KNOCK-OFFS, OUTLINING THE PROBLEM AT FLEA MARKETS. JOHN BLISS WILL ADDRESS WHY CONSUMERS SHOULDN'T BUY COUNTERFEIT APPAREL AND ACCESSORIES.

AND, JUST YESTERDAY, WE RECEIVED NATIONAL PRESS FOR OUR EFFORTS IN CHINA IN AN ARTICLE THAT APPEARED IN INVESTOR'S BUSINESS DAILY (circulation: 193,000 nationally). THE IACC RECEIVED FAVORABLE MENTION FOR JOHN'S WORK WITH THE USTR. ALSO HIGHLIGHTED WAS HIS INVITATION TO RETURN TO CHINA TO HELP IMPLEMENT THE NEW AGREEMENT

AS PART OF A PLANNED EFFORT TO ADD OUR MEMBERS' INTERNATIONAL CONCERNS TO THE IACC'S AGENDA, WE HOSTED A CONFERENCE IN MEXICO CITY TO ADDRESS IP ISSUES FACING MEXICO AND THE UNITED STATES IN THE POST-NAFTA ENVIRONMENT. TOP GOVERNMENTAL OFFICIALS OF BOTH COUNTRIES ATTENDED.

WE ALSO SUBMITTED A SPECIAL 301 FILING WITH THE U.S.

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TRADE REPRESENTATIVE'S OFFICE IN WHICH WE RECOMMENDED THAT TAIWAN BE MAINTAINED ON THE "PRIORITY WATCH LIST", AND THAT THE PEOPLES REPUBLIC OF CHINA RECEIVE "PRIORITY FOREIGN COUNTRY" STATUS FOR ITS PERSISTENT FAILURE TO PROVIDE ADEQUATE AND EFFECTIVE INTELLECTUAL PROPERTY PROTECTION.

LATER, JOHN BLISS TRAVELLED AT THE REQUEST OF U.S. TRADE REPRESENTATIVE MICKEY KANTOR TO MAINLAND CHINA FOR THE SUCCESSFULLY CONCLUDED TRADE AGREEMENT ON INTELLECTUAL PROPERTY RIGHTS.

WE HAVE PUT THE IACC AT THE CENTER OF U.S. TRADE POLICY AS IT RELATES TO INTELLECTUAL PROPERTY RIGHTS AND WE'RE GOING TO KEEP IT THERE. WE ALSO DID THIS AT A TIME WHEN JOHN BLISS CONTINUED TO SPEND 80% TO 90% OF HIS TIME ON U.S. DOMESTIC AND IACC MANAGEMENT ISSUES.

AS WE LOOK AHEAD IN THE NEW YEAR, YOUR ADMINISTRATIVE COMMITTEE HAS RECOMMENDED TO THE BOARD OF DIRECTORS THAT THE IACC UNDERTAKE A SPECIAL

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INTERNATIONAL PROJECT.

AS MANY OF YOU KNOW, THE AGREEMENT ON TRADE RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS, OR "TRIPS", WAS THE KEY PART OF THE URUGUAY ROUND AGREEMENT FOR TRADEMARK OWNERS. TRIPS REQUIRES THAT COUNTRIES BELONGING TO THE NEW WORLD TRADE ORGANIZATION UPGRADE THEIR TRADEMARK LAWS AND ANTICOUNTERFEITING ENFORCEMENT POLICIES. SOME COUNTRIES NEED TO BE UP TO SPEED BY JANUARY 1ST OF NEXT YEAR, WHILE DEVELOPING COUNTRIES MAY BE ABLE TO DELAY TRIPS COMPLIANCE UNTIL THE YEAR 2000.

THE PROPOSED IACC TRIPS COMPLIANCE PROJECT WILL SELECT A LIST OF KEY TARGET COUNTRIES THAT WILL BE INVOLVED IN BILATERAL DISCUSSIONS WITH THE U.S. TRADE REPRESENTATIVE'S OFFICE ON THEIR TRIPS COMPLIANCE PROGRESS.

OUR GOAL IS TO BE NOTHING LESS THAN THE TRADEMARK COMMUNITY'S EYES AND EARS IN THIS PROCESS, SO THAT OUR

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**MEMBERS CAN BE ASSURED THAT IMPORTANT CHANGES IN
SUBSTANTIVE TRADEMARK LAW, REGISTRATION AND EXAMINING
PROCEDURES AND CIVIL AND CRIMINAL TRADEMARK
ENFORCEMENT ARE MADE SOONER RATHER THAN LATER IN THE
COUNTRIES WHERE THEY NEED TO BE MADE MOST.**

**AS YOU CAN SEE, OUR DOMESTIC AND INTERNATIONAL
AGENDAS WILL BOTH BE FULL IN THE COMING YEAR. WE CAN BE
SUCCESSFUL IN ACHIEVING OUR GOALS ONLY IF WE HAVE THE
KIND OF SUSTAINED HELP FROM OUR MEMBERS IN THE COMING
YEAR THAT MANY OF YOU HAVE PROVIDED TO US IN THE PAST
YEAR.**

**LET ME CLOSE WITH A WORD OR TWO TO THOSE OF YOU
REPRESENTING COMPANIES OWNING INTELLECTUAL PROPERTY.
YOU ARE THE IACC'S EXECUTIVE MEMBERS. THE IACC WAS
FORMED 17 YEARS AGO BY EXECUTIVE MEMBERS, FOR
EXECUTIVE MEMBERS. SHORTLY, YOU WILL HAVE AN
OPPORTUNITY TO VOTE FOR NOMINEES TO THE IACC'S BOARD OF
DIRECTORS.**

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**MY PERSONAL BELIEF IS THAT TWO THINGS WILL MAKE FOR
A STRONG IACC BOARD OF DIRECTORS AND A STRONG IACC.**

**FIRST, WHILE WE MUST BE CERTAIN TO HAVE SERVICE
INDUSTRY REPRESENTATION ON THE BOARD OF DIRECTORS,
INTELLECTUAL PROPERTY OWNERS SHOULD PREDOMINATE.**

**SECOND, A DIVERSITY OF MEMBERSHIP ON THE BOARD,
WITH DIRECTORS FROM MANY DIFFERENT INDUSTRIES, HAS
ALWAYS BEEN KEY TO THE IACC'S SUCCESS IN THE PAST. I
BELIEVE IT WILL BE KEY TO THE IACC'S SUCCESS IN THE FUTURE.**

THANK YOU VERY MUCH.