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Two Nations. One Friendship.

180  **Years**

180 Years of Thai-U.S. Relations

Tilleke & Gibbins Museum of Counterfeit Goods

24 years of collecting, displaying and educating the public about counterfeit goods

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Is buying counterfeit goods wrong? Ask someone shopping at MBK Center, and you're likely to get a shrug or maybe a laugh. Ask someone shopping at Khao San Road, and you might even get a lecture on the evils of capitalism.

For most consumers, intellectual property infringement is viewed as a harmless, victimless crime—a way to get their hands on the latest designer bag or popular song.

This common misperception fails to recognize the widespread economic and social harm caused by IP infringement.

THE COST OF CRIME

According to estimates by the FBI, Interpol, the World Customs Organization, and the International Chamber of Commerce, IP-infringing products represent 7 – 8 percent of global trade. In Thailand, the Economic Crime Division of the Royal Thai Police estimates that counterfeiting and piracy result in about Baht 1 billion in lost legitimate sales each year.

These lost sales for the private sector also represent a dual cost for the public sector—infringers don't pay taxes, and legitimate taxpayers face an added burden of paying for enforcement actions to disrupt these activities.

Counterfeit goods also endanger the health and safety of consumers, as they don't undergo appropriate quality control procedures. And IP infringement undermines innovation, as companies that lose confidence in their ability to protect their ideas won't bring new products into the Thai market, which hurts the Kingdom's economic development.

IP owners and government officials recognize the daunting scope of this problem and are taking aggressive actions to stop these activities. With support from brand owners, officials from Thailand's



Thai innovations like the famous Mr. P Lamp created by Propagandist Co., Ltd., are also being infringed by counterfeiters abroad.

Customs Department, Department of Special Investigation, and the police seize hundreds of thousands of counterfeit goods each month. Yet the problem persists, driven largely by consumer demand.

PUBLIC AWARENESS

To help bridge the gap between consumers and businesses, the Tilleke & Gibbins Museum of Counterfeit Goods offers a unique educational experience to visitors. As one of the leading law firms in Thailand and Vietnam, Tilleke & Gibbins has a widely acclaimed intellectual property practice

that secures and defends the IP rights of over 28,000 brand owners.

Drawing on this vast experience, the firm created the Museum of Counterfeit Goods as one of its key corporate social responsibility programs, with the core objective of educating the public and raising awareness about IP infringement.

The museum was established in 1989 by David Lyman, currently the firm's Chairman and Chief Values Officer and an AMCHAM governor. What began as a small collection of just 100 items has

grown significantly in size, and it is now one of the largest of its kind in the world.

COLLECTION

Today, the Museum of Counterfeit Goods houses a collection of over 4,000 products that infringe trademarks, patents, and copyright. Visitors are often amazed at the breadth of the collection. While everyone recognizes the prevalence of fake T-shirts and sunglasses, the museum's collection expands far beyond these items.

The products that attract the most attention are those that threaten consumer health and safety—medicines, food, and automobile parts, for example.

Few people would willingly take a fake malaria pill or drive a car with substandard brakes, as the risks involved are obvious. But a visit to the museum can open people's eyes to other dangers too. As counterfeit goods don't pass through the necessary quality control processes, how can you be sure that the battery in your knockoff mobile phone won't overheat and explode? This and other examples demonstrate to visitors the dangers posed by fake goods.

Visitors are also drawn to the unexpected products included in the collection. Most people would never imagine that counterfeiters would produce fake sunblock, electrical outlets, pencils, and even staples. The collection also includes products that infringe copyright, including books and software.

While many of the products are from well-known international brands, such as Casio, Daimler, and Nokia, the museum also includes examples of Thai innovations that have been copied. This reinforces the notion that IP infringement isn't just a problem faced by foreign brands.

Thai innovations like the famous Mr. P Lamp created by Propagandist Co., Ltd., are also being infringed by counterfeiters abroad (mainly in China), imported into the Thai market, and sold in direct competition with the original products.

VISITOR EXPERIENCE

As the museum's collection has grown, its popularity has increased markedly, and the museum welcomed nearly 2,000 visitors in 2012. Generally, the visitors can be divided

across four broad categories: professionals, the media, students, and the general public.

Legal and other IP-related professionals who visit the museum include clients of Tilleke & Gibbins, members of the diplomatic corps, judges, Thai and foreign police, and other government officials.

Together with the firm's clients, Tilleke & Gibbins regularly hosts brand awareness training sessions for Thai and foreign government officials involved in IP enforcement. During these events, customs and police officers receive in-depth training on how to differentiate between counterfeit and genuine goods.

These types of professional development initiatives are essential for building the capacity of these enforcement agencies and helping them to succeed in their difficult work.

The effectiveness of the museum's public-awareness campaign is enhanced when it receives high-profile media coverage. The museum is regularly featured in both local and international media reports concerning the counterfeit situation in Thailand. Driven in part by this media coverage, students and members of the general public are also regular visitors to the museum.

The Museum of Counterfeit Goods often hosts large classes of university students from a range of faculties—law students, of course, but also students in design, architecture, and other fields that depend on protection of creative ideas for their success.



Counterfeit calculator displayed at the museum.

Whenever a university class visits, a Tilleke & Gibbins IP lawyer will give them a presentation on the basics of intellectual property protection, and then they will receive a guided tour of the museum to learn more about the harsh realities of the issue. Even members of the general public are always given a tour of the museum by the firm's IP lawyers. This ensures that they will walk away from their visit with an in-depth, practical understanding of the harmful effects of counterfeiting.

LESSONS LEARNED

By visiting the Tilleke & Gibbins Museum of Counterfeit Goods, visitors can gain new insights to dispel the myth that IP infringement is a victimless crime. They learn about how fake products jeopardize health and safety both for the consumers who buy them and for the workers who produce them.

They learn about how counterfeiting is closely tied up with other forms of organized crime, including drugs, firearms, human trafficking, and even terrorism. They learn about how counterfeiting and piracy rob the government of tax revenue and impose greater costs on legitimate taxpayers due to the burden of enforcement. And they learn about how IP infringement stifles innovation and damages overall economic development.

Armed with this knowledge, visitors can reexamine the choices they make as consumers and can begin to contribute to the fight against IP infringement. ■

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Interested in Visiting?

There is no entrance fee for visiting the Tilleke & Gibbins Museum of Counterfeit Goods. All visitors must make appointments at least 24 hours in advance. Visitors from the general public are welcome on Mondays at 2 p.m. and Thursdays at 10 a.m. For corporate visitors, special arrangements can be made for group visits.

To make an appointment, please contact Ms. Pinta Punsoni at +66 2653 5546 or pinta.p@tilleke.com.