Product and Concept Piracy
recognising, preventing, fighting off, using, tolerating

by Nicolas P. Sokianos

The idea for this book arose from consulting a well-known German automobile manufacturer on merchandising and lifestyle products, including products such as miniatures leather goods, fashion accessories etc. that display the company`s logo. These products including their logos are often copied.

Our research proved that these problems also offset other car manufacturers, that operate in the premium segment.

A further inspiration for writing this book came from students of the International Technology Transfer Management (ITTM) Programme at the University of Applied Sciences, TFH Berlin which I directed at that time.
For some Asian Students technology transfer can also mean the acquisition of copying skills. This attitude may be derived from the sayings of Confucius (the master is proud when copied by his students); paving the way for product and concept piracy. This reaches as far as the copying of intellectual property as seen in Master Thesis works. This attitude is difficult to change, however I have also learned to understand the issue of copyright in their cultural context.

The final incentive for this project derived from a talk I gave to a purchaser forum of automotive companies titled : Product piracy: not only a problem in China.
This is a recurrent theme though the book, including a full chapter on the Chinese case. I would like to point out however, that China is not the only country at fault.

Product piracy takes place everywhere including Germany, not only in dubious companies, but also in highly respected boardrooms.

The book is divided in four parts. **Part one** deals with values and corporate policy, highlights various policy issues relevant to product and concept piracy.
It may be a surprise that this includes human resources themes in combination with intellectual property rights. Yet this is due to fact that the players in piracy are humans who are guided by particular sets of values.

The influence of a state on business processes such as the reproduction of aircraft engine components is also highlighted based on the case of *US legislation*, which affects the entire sector.

Part two deals with brand communication and distribution. This chapter is introduced by comments on the relevance of brands. This also includes discussion on the protection of *advertising campaigns*. The significance of *distribution channels* in the product piracy context can be seen in the next chapter.

Part three deals with *IP protection techniques*. In recent years significant progress has been made with regard to IP techniques, as performance/ cost ratios have improved. *Technical product documentation* is an often underestimated subject that merits further attention in the IP context.

Finally, protection of *software* will also be discussed.

Part IV highlights the analysis of IP in *day-to-day business*. This is done from a legal perspective, and in light of innovation in new business.

China cannot be ignored in the discussion on product and concept piracy, thus **part V** is dedicated to China. Observations are made from a legal point of view and also include a case study of a medium-sized engineering and construction company. However the finger should not be pointed at china alone as a culprit of piracy, as European and American companies and even governments are involved in this process.

An efficient handling of the IPR-Issue requires a sound and continuous cooperation from those of a legal background and a non-legal background.

Within the team of authors, this teambuilding was successfully reflected. So people from different expert areas are involved, e.g automotive (Audi), aircraft industries (Rolls Royce), medical (Siemens), security (Abus), advertising (Jung von Matt), engineering (Mann+Hummel, Vietz), consulting (Accenture, Rundstedt, Logicon), law firms (Rouse&Co, Strauch &Schuster, Taylor Wessing), logistics (rola), product support (Helbig), Software (O+O), University (TFH Berlin).

The different issues we have dealt with include: Legal, Technology, Organisation, Logistics, Sales, Communication, Personnel, Advertising, IT, Product Development, Quality Control, After Sales and Strategy.

Dealing with IPR takes place in different perspectives: Sort-, medium- and long-term. The measures required for sort- term goals may be contrary to those of long-term strategies. Taking into account counterfeiting measures and the roles of business partners, reviews have to be put in place at different milestones. Thefore it may prove nessessary to accept being copied for an initial period of time as part of a long-term strategy.