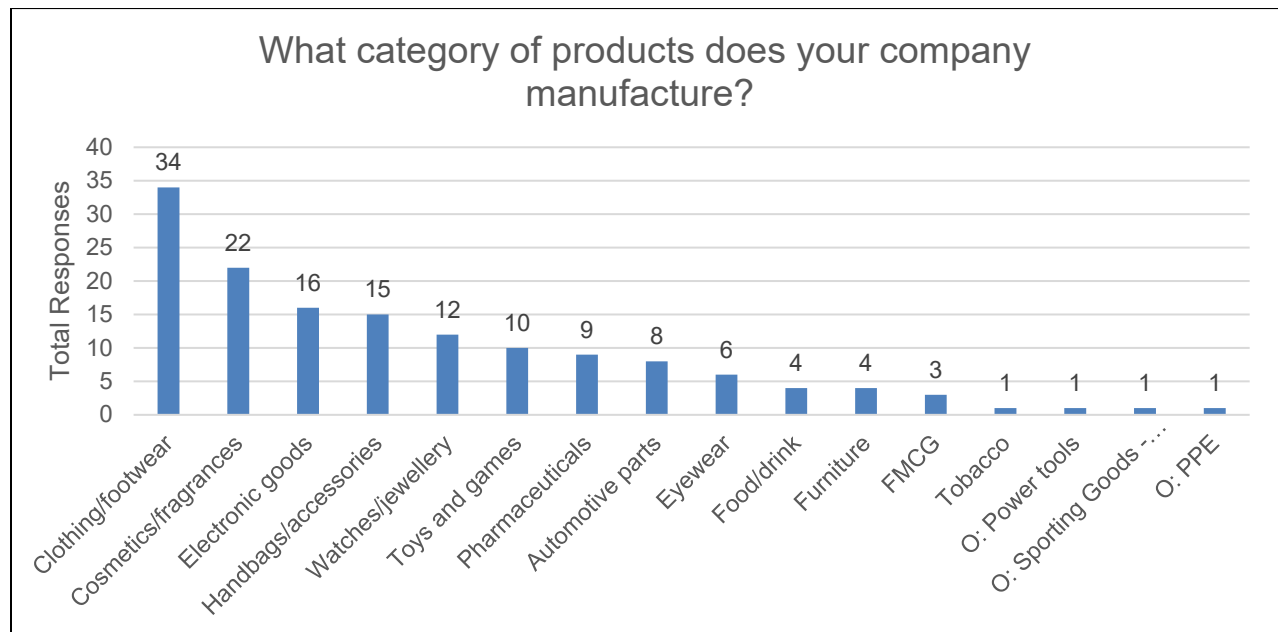


Key Learnings from the INTA Sustainable Destruction of Counterfeit Goods Survey

The following is based on a total of 86 responses to our survey, collected between 10/31/2024 and 1/30/2025. The results were compiled, reviewed, and analyzed by Tamara Rabenold from the Brands and Sustainability Committee (BaSC) with limited assistance from ChatGPT.

1. Diverse Product Categories Affected by Counterfeiting [multiple choice answer]

- Respondents are impacted across a broad range of industries with **clothing/footwear, cosmetics/fragrances, electronics, and handbags/accessories** being the most common.
- Counterfeiting is widespread across multiple industries, reinforcing the need for industry-specific disposal strategies.



2. Responsibility for Destruction of Counterfeit Goods [multiple choice answer]

- Nearly all respondents listed **infringers (counterfeiters)** as at least one of the parties who should be responsible for bearing the cost of destruction (79 of 86).
 - **38 percent** believed infringers should be solely responsible, while **34 percent** believed destruction costs should be shared between infringers and importers.
 - When multiple parties were identified to share in the costs, **23 percent** of respondents included state/customs authorities, and **10 percent** included brands.

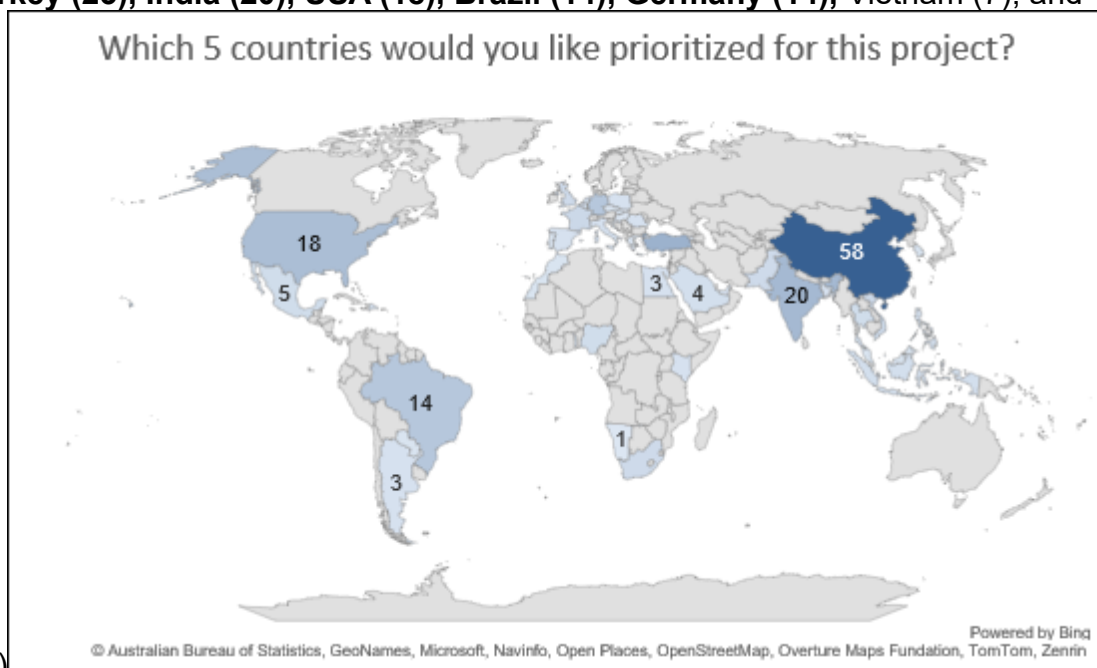
- This suggests that brand owners seek a legal framework where financial responsibility should rest with those responsible for the counterfeiting activity as opposed to the brand/trademark owner.
- **Over 65 percent** of respondents believe that the liability for the costs of sustainable destruction should be consistent, regardless of whether the case involves criminal investigations, administrative or customs procedures, or civil actions.

3. Geographic Trends in Counterfeit Seizures [multiple choice answer]

- Most respondents (**70%**) report seizures **worldwide**.
- Of the 35 respondents who specified counterfeit seizures by region, the following percentages were noted:
 - 83 percent (29): Asia-Pacific
 - 69 percent (24): Europe
 - 49 percent (17): Africa & Middle East
 - 40 percent (14): Latin America & Caribbean
 - 34 percent (12): North America
 - 11 percent (4): Do not regularly seize counterfeit products



The most frequently cited **jurisdictions for prioritization in this project** include **China (58), Turkey (23), India (20), USA (18), Brazil (14), Germany (14), Vietnam (7), and**



France (7)

4. Limited Awareness of Sustainable Disposal Initiatives

- Of the respondents, **81 percent** were unaware of government entities (including Customs or law enforcement authorities) already actively engaging in sustainable counterfeit disposal; **69 percent** were unaware of companies (in any jurisdiction) engaged in such initiatives. Consequently, the majority (**69%**) are not currently involved in any related projects or initiatives.
- Of those respondents who were aware of sustainable disposal initiatives and shared further details, jurisdictions mentioned that have initiatives included Belgium, Bolivia, Brazil, Bulgaria, Mauritius, the Netherlands, Paraguay, the Philippines, Saudi Arabia, South Africa, Spain, Türkiye, Uruguay, and the UAE.
 - Programs most mentioned included **REACT Sustains** in Europe and **Cervieri Monsuarez's** programs, **Score Green** and **Entre Mas**, in South America.

5. Preferred Sustainable Destruction Methods and Those in Practice [multiple choice answer]

- Overall, respondents most frequently identified **deconstruction and recycling of parts/materials (66%)** or **shredding and repurposing (45%)** as preferred methods over other sustainable destruction options.
- Of those who engaged in sustainable destruction of some kind, products were destroyed as follows:

- 37 percent by deconstruction and recycling of parts/materials
- 31 percent by shredding and repurposing
- 22 percent by removal of branding and donation to charity
- 6 percent by authorized upcycling
- 3 percent by other methods (melting, waste to energy, or refurbishment)

6. Proactiveness and Prioritization During Seizures

- **Encouragement vs. Direct Action:** While more than half of respondents encourage their local partners (such as investigators, law enforcement, or local counsel) to prioritize sustainable destruction, only **40 percent** take proactive steps themselves. This indicates a reliance on external stakeholders to handle sustainability efforts rather than taking direct responsibility.
- **Budget Constraints vs. Prioritization:** Although the majority (**63%**) acknowledge the importance of sustainable destruction, few (**23%**) allocate additional funding for it. This suggests that while sustainability is a recognized priority, financial constraints, competing budget demands, and/or limited access to options limit the actual implementation of sustainable destruction methods.

7. Strong Interest in Collaboration and Project Updates

- **Over 50 percent** of respondents expressed a **willingness to collaborate with INTA and other members** to improve disposal practices.
- There is also a demand for **regular updates** on the progress of the project, indicating a need for structured engagement and communication.

Opportunities for Action

- **Industry Education and Best Practices:** Given the low awareness of sustainable destruction alternatives, INTA and partners can take the lead in educating stakeholders on available options.
- **Advocacy for Cost Responsibility Reforms:** Brands are looking for policy changes to shift financial responsibility to infringers and importers.
- **Sustainability-Focused Disposal Partnerships:** Since many companies lack strategies for destruction methods, there is an opportunity to develop industry-wide sustainable disposal guidelines.
- **Regional and Country-Specific Initiatives:** Since China, India, Türkiye, and the USA were most noted as priorities, targeted efforts in these regions could be more impactful.
- **Facilitating Collaboration Among INTA Members:** There is clear interest in working together, which could lead to new initiatives for improving sustainable disposal of counterfeit goods.