



Press Release
Alicante, 21 July 2015

Over €26 billion and up to 363,000 jobs lost every year in the EU due to counterfeiting of clothes, shoes and accessories

The manufacture and distribution of fake clothes, shoes and accessories (like ties, scarves, belts and gloves) takes over €26 billion every year from legitimate EU businesses.

A new study from the Office for Harmonization in the Internal Market (OHIM), the EU's intellectual property agency, shows that the sale of fake clothes, shoes and accessories in the EU equals nearly 10% of the total sales in the sector throughout the EU-28.

That lost revenue translates into 363,000 lost jobs, as the legitimate manufacturers and retailers make and sell less than they would have done in the absence of counterfeiting, and therefore employs fewer workers.

The study, released through the **European Observatory on Infringements of Intellectual Property Rights**, entrusted to OHIM, also assesses the indirect effect of the counterfeit trade.

When the knock-on effects on suppliers are taken into account, legitimate businesses across the EU lose €43.3 billion of sales revenue because of counterfeiting, with around 518,000 jobs lost.

Since producers and sellers of fakes do not pay tax, social contributions and VAT, over €8 billion of government revenue across the EU-28 is not collected.

The President of OHIM, António Campinos, said:

“With this report we can put a figure on the economic impact of counterfeiting, and its consequences in terms of lost revenue and jobs at EU level in the clothing, shoes and accessories sector. These results will not only help policy makers in their work, they will also help consumers make more informed choices.”



Today's report is part of a series of studies into the economic impact of counterfeiting in a number of sectors across the EU, which will be released over the coming months.

In the UK: The trade in fake clothes, shoes and accessories (like ties, scarves, and belts) costs UK manufacturers, retailers and distributors around £2.6 billion (€3.6 billion) in lost sales every year and 40,000 jobs.

In France: The trade in fake clothes, shoes and accessories (like ties, scarves, and belts) costs French manufacturers, retailers and distributors around €3.5 billion in lost sales and over 25,000 jobs lost (36,000 if indirect effects are added).

In Germany: The trade in fake clothes, shoes and accessories (like ties, scarves, and belts) costs German manufacturers, retailers and distributors around €3.5 billion in lost sales and over 40,000 jobs lost (over 52,000 if indirect effects are added).

In Italy: The trade in fake clothes, shoes and accessories (like ties, scarves, and belts) costs Italian manufacturers, retailers and distributors around €4.5 billion in lost sales and over 50,000 jobs lost (80,000 if indirect effects are added).

In Spain: The trade in fake clothes, shoes and accessories (like ties, scarves, and belts) means that over 50,000 jobs are lost, which account for nearly 14% of the employment in the sector.

NOTE TO EDITORS

This study on the clothing, footwear and accessories sector will be followed, over the next 18 months by similar assessments on 10 other sectors known to be subject to IPR infringements, such as watches and jewellery, luggage and handbags; sport goods, games and toy; medicines; computers and automotive parts, as well as tobacco and alcoholic drinks. In March 2015, OHIM, acting through the European Observatory on Infringements of Intellectual Property Rights, released the first report in the series, on the economic impact of counterfeiting in the cosmetics and personal care sector.

About OHIM

OHIM is the EU's largest intellectual property agency, registering Community trade marks and registered Community designs. In 2012, the Office was given the responsibility for the European Observatory on Infringements of Intellectual Property Rights which works to support the protection and enforcement of IP rights.

Press contact:

Office for Harmonization in the Internal Market (Trade Marks and Designs)
Avda. de Europa, 4 - E-03008 Alicante, Spain
Tel +34 965 139 100 - Fax +34 965 131 344
pressroom@oami.europa.eu



OFFICE FOR HARMONIZATION IN
THE INTERNAL MARKET
(TRADE MARKS AND DESIGNS)

O # 7

OHIM Communication Service

Tel: +34 965 138 934

Mobile: +34 618 287 006

Laura.casado@oami.europa.eu

k U)

OHIM Communication Service

Tel: +34 965 137 676

Mobile: +34 606 157 278

Ruth.mcdonald@oami.europa.eu

twitter: #OAMITWEETS