

Press Release  
December 14, 2015

## €1.4 billion lost every year across the EU due to fake toys and games

**Toys and games manufacturers across the EU lose approximately €1.4 billion each year due to the presence of counterfeit products in the market.**

A new report from the Office for Harmonization in the Internal Market (OHIM), the EU's largest intellectual property agency, reveals that 12.3% of sales in the EU toys and games sector is lost due to counterfeiting.

Those lost sales translate into 6,150 jobs, as legitimate manufacturers employ fewer people than they would have done in the absence of counterfeiting.

The toys and games manufacturing sector in the EU is largely made up of small and medium enterprises (SMEs), employing, on average, around 10 workers per firm.

The report also shows that, when the direct and indirect effects of counterfeiting in the toys and games manufacturing sector are taken into account, €370 million in government revenue is lost across the EU, in terms of lost VAT, income tax, social security contributions and tax on company profits.

The report, released by OHIM acting through the European Observatory on Infringements of Intellectual Property Rights, covers the manufacture of products like dolls, action figures, stuffed animals, board games, toy musical instruments, model trains and puzzles. It does not include video games consoles, software for video games or bicycles.

*The **President of OHIM, António Campinos**, said:*

*"We are completing a picture of the economic impact of counterfeiting in a dozen economic sectors across the EU. Today's report shows us the extent to which the toys and games sector is impacted by the presence of counterfeits in the market. Through this reporting, we aim to help policymakers in their work, by providing data and evidence-based studies, and to help consumers make more informed choices."*

Today's [report](#) is the fourth in a series of studies undertaken by OHIM into the economic impact of counterfeiting in industrial sectors in the EU. In September 2015, a study on the sports goods sector was released. In July 2015, OHIM published a report into the economic impact of counterfeiting in the clothes, shoes and accessories sector, while the first report in the series, in March 2015, looked at

the economic impact of counterfeiting in the cosmetics and personal care items sector. Each report in the series centres on a sector known to be vulnerable to counterfeiting.

Germany is the largest producer of games and toys in the EU, accounting for 40% (€ 2.7 billion) of total EU production in 2012.

The presence of counterfeit toys and games costs the German manufacturing sector €327 million every year, corresponding to 10.9% of the value of production. The country ranks first among EU countries for sales and jobs lost.

In the United Kingdom, 11.6% of the sector's direct sales are lost annually (£ 174.2 million). It is the second highest absolute impact in the EU due to counterfeiting in this sector (after Germany).

In Spain, 16.6% of the sector's direct sales are lost annually (€167 million)

In Italy, 15.6% of the sector's direct sales are lost annually (€201 million)

In France, 11.6% of the sector's direct sales are lost annually (€168 million)

## **NOTE TO EDITORS**

This report is the fourth in a series of sectorial reports quantifying the economic impact of counterfeiting. Future reports will study additional sectors, including watches and jewellery, luggage and handbags, medicines, computers, automotive parts, tobacco and alcohol and other sectors thought to be vulnerable to intellectual property rights infringements.

## **About OHIM**

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



OFFICE FOR HARMONIZATION  
IN THE INTERNAL MARKET  
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