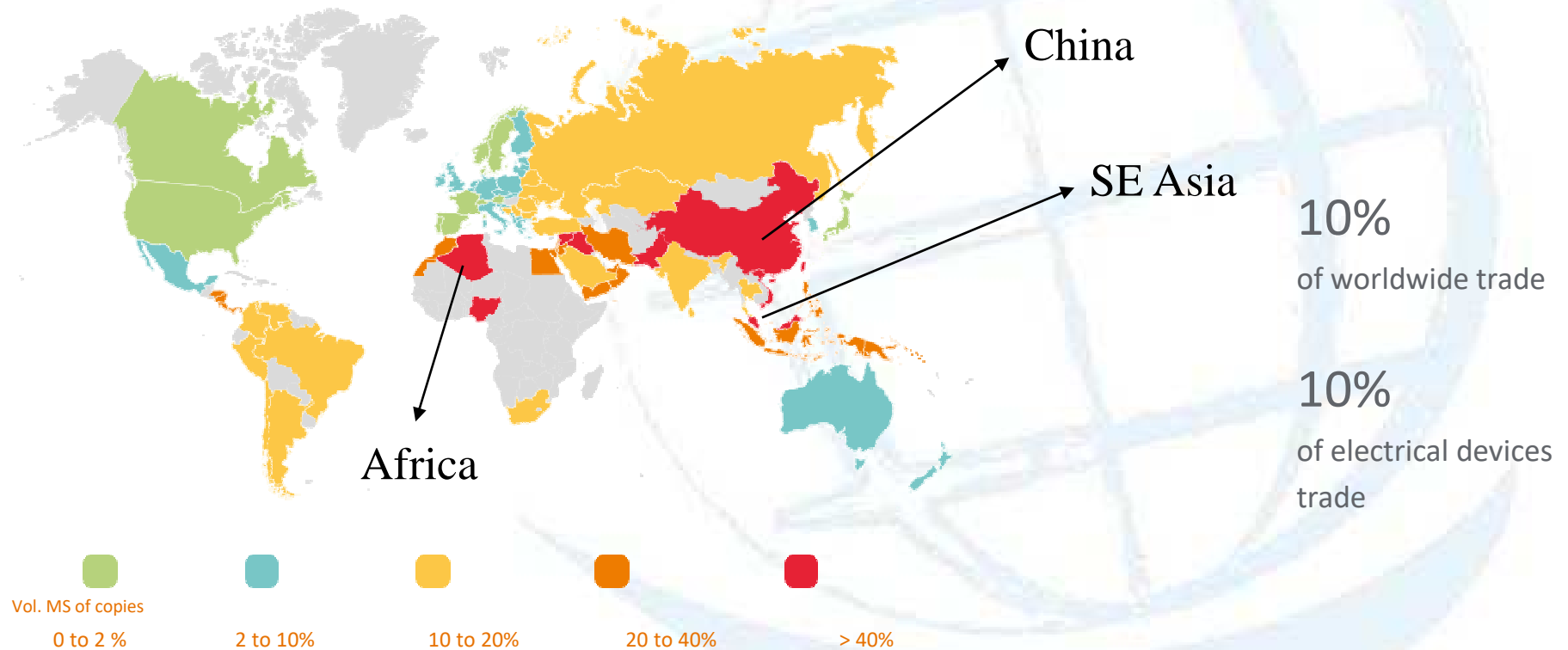


Counterfeiting and Non-Compliant Products (East Asia and Indonesia)

Paul Loke
Standardization Director
Schneider Electric East Asia

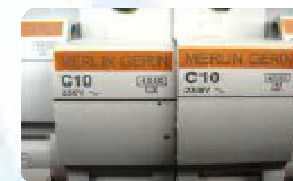
**COUNTERFEITING & NON COMPLIANT IS A THREAT
 FOR CUSTOMERS, COMPANIES AND ECONOMY**



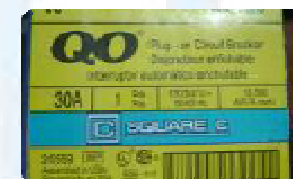
South East Markets are affected by 10-30% counterfeit / non-compliant products

HOW IS IT DONE?

Copying exactly original brand name...



...or adding a touch of creativity...



...or leaving them blank, labeling them only at final destination, thus avoiding legal actions on production sites



WHAT IS DONE?

Original



Counterfeits/Copies



ANALYSIS

Initial analysis result:

- The FLASH presence when breaker trip.
- O.OFF mark on handle is green color.
- Certificated marking was not identified.
- These are some odd slots and shape on case/cover

Original

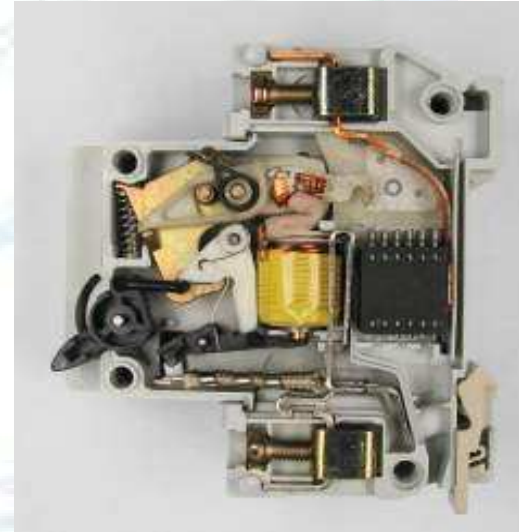
Counterfeit



ARE YOU REALLY PROTECTED?

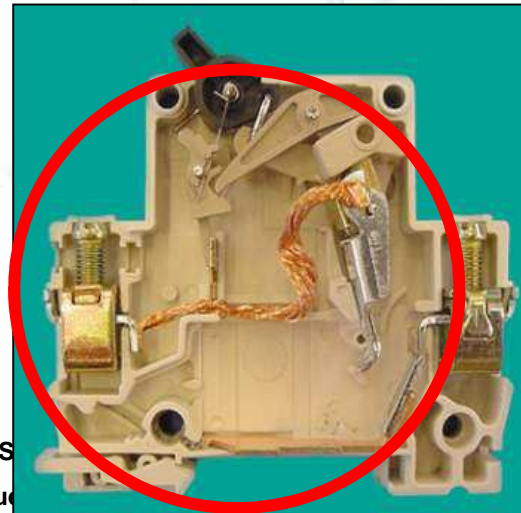
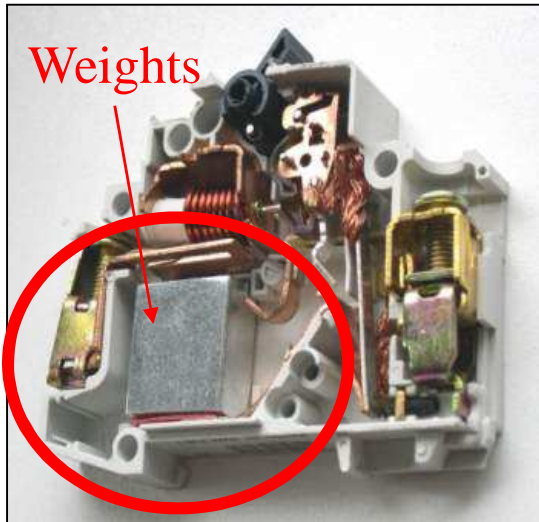


Original



Non-compliant

Source: ASEC



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Fisuc

2017
May, 2017



IMPACT ON MARKET

Counterfeit Goods Market Value in India

in COUNTERFEIT GOODS

According to the International Chamber of Commerce and the Federation of Indian Chambers of Commerce and Industry, the sales of counterfeits and smuggling of fake goods into India caused sales losses of \$11.9 Billion in 2012. This amount represented 21.7 percent of sales losses to companies.

Some of the consumer sectors that are impacted by counterfeits in India are the auto parts, alcohol, computer hardware, foods, mobile phone and tobacco industries.

(Counterfeit Goods Markets by Countries.)

Source: "2014 Special 301 Report," Office of the United States Trade Representative, April 2014.

Loss of company revenue and possibly employment

IMPACT ON LIVES

Fake and Counterfeit Mobile Phones Sold Around the World

in BUSINESS RISK, COUNTERFEIT GOODS

A report by the Mobile Manufacturers Forum reported that 125 million substandard and counterfeit mobile phones were sold around the world in 2011. In 2012, the number of counterfeit phones sold increased to 148 million units.

The estimated amount for 2013 was projected to be 1.86 billion units. Thus, up to 8 percent of all mobile devices sold worldwide in 2013 were substandard or counterfeits.

Over 20 percent of mobile phones sold in India is estimated to be counterfeits, according to the report. Many of the counterfeit phones sold in the India that were made in China were found to have high levels of lead. This is similar to a study conducted by researchers in Brazil who found that the five counterfeit phones that they tested all had lead and cadmium levels that were higher than EU regulations.

In Libya, up to 80 percent of the mobile phones for sale in the country were smuggled into the country and sold on the black market.

Source: Rachel Feltman, "That fake iPhone is probably full of lead," Quartz, February 6, 2014.

**Endangering health and lives of users
Fire, Electrocution, Poisoning, Loss of critical power etc**

IMPACT ON COUNTRY

Enforcement Actions Against Counterfeits in Saudi Arabia

in BUSINESS RISK, COUNTERFEIT GOODS

Customs Officials in Saudi Arabia reported that is seized around 40 million counterfeit goods within Saudi Arabia in 2013. In addition to the number of fake goods seized, security services also stopped and prevented over 124 million counterfeits from entering the country in 2013.

One of the main fake and substandard product that was seized by the authorities were 30,000 air conditioners that were counterfeited and not made to government standards.

(More counterfeit goods statistics here.)

Source: Hazem Al-Shraqawi, "Fake items decline 45%," Arab News, January 29, 2014.

**Products not meeting local Government Standards,
requiring stronger enforcement**

COUNTERFEITING AND NON-COMPLAINT PRODUCTS IN INDONESIA








- More than 10% of MCB in market are counterfeit and non-complaint (internal survey 2016)
- Spread and target
 - Traditional market of electrical products
 - Electrical Shops in suburb area
 - Price oriented customers/population

COUNTERFEITING AND NON-COMPLAINT PRODUCTS IN INDONESIA



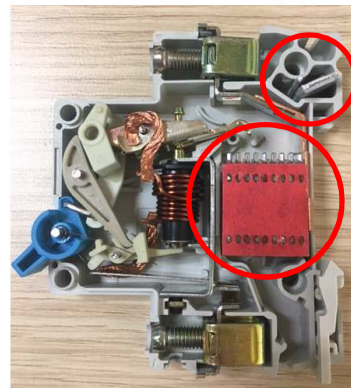
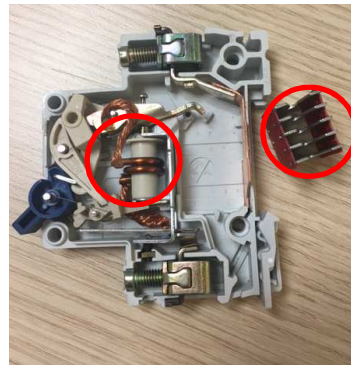
➤ Products in the market with related issues

	MCB	Switch/Socket	Contactors	Mini Relays	Pilot Lamp, Push Button
Product					
Counterfeit	v		v	v	v
Non-compliant	v	v			v
Common Utilization	Overload and short-Circuit protection.	Lighting swith and power outlet	Machine control switch	Control system relay	Indicators and control command
Risk	Risk of fire due to failiure of protection	Risk of fire and electrocution	Risk of fire and control failure	Risk of control failure	Risk of control failure

COUNTERFEITING AND NON-COMPLAINT PRODUCTS IN INDONESIA



Counterfeit



Non-compliant



Rust

Brand cannot be found in DJK list.



KEMENTERIAN ENERGI DAN SUMBER DAYA MINERAL
DIREKTORAT JENDERAL KETENAGALISTRIKAN
DIREKTORAT TEKNIK DAN LINGKUNGAN KETENAGALISTRIKAN

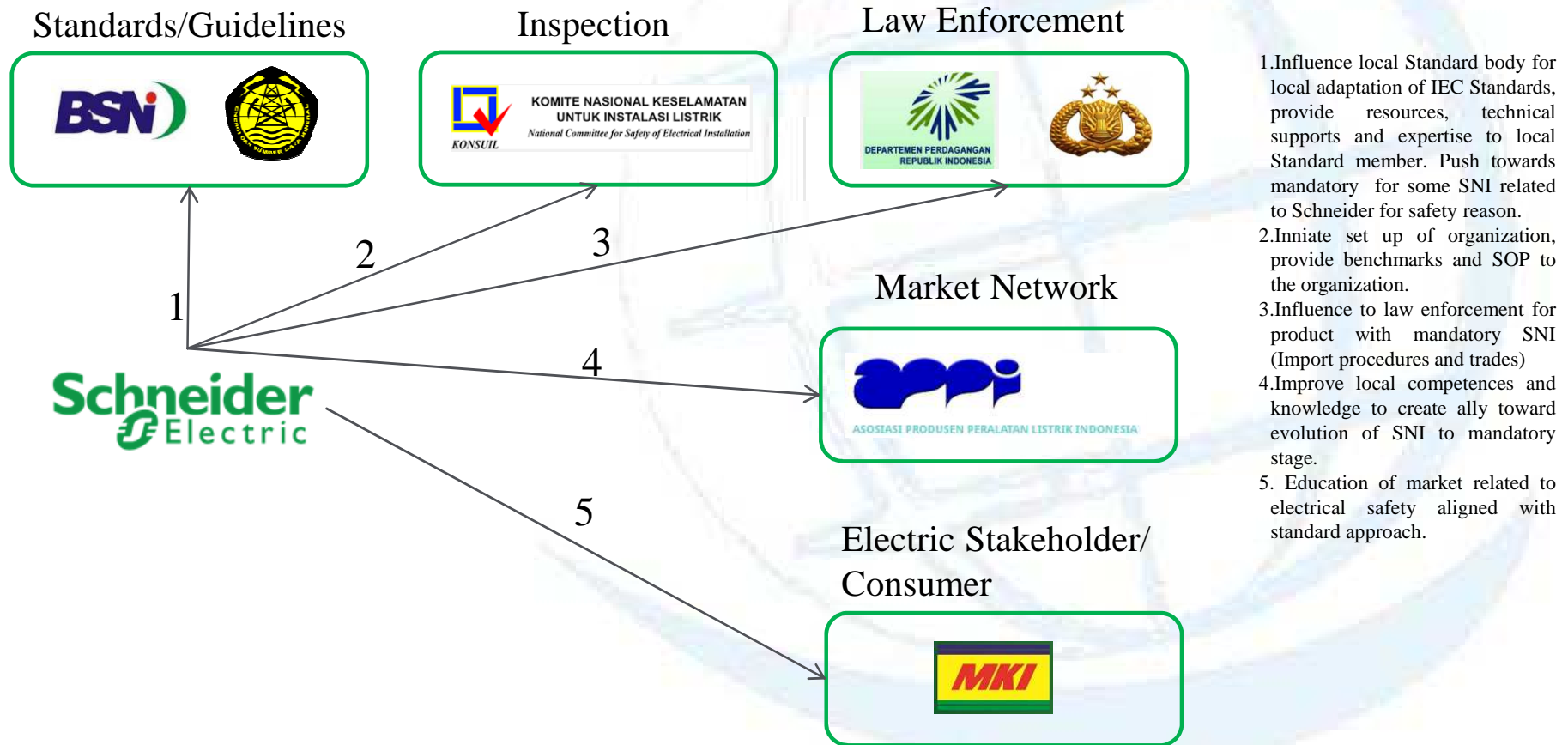
Maret 2015

DAFTAR MERK PRODUK SNI WAJIB

TUSUK KONTAK

NO	MERK	PRODUSEN/IMPORTIR
1	TIAN JU	Foshan Shunde Tianju Electrical Appliance Ind. CO. LTD

MARKET SURVEILLANCE AUTHORITIES



THANK YOU

MERCI

