Express Delivery Industry
Partner in Protecting Global Trade
The express industry utilizes sophisticated networks to collapse the time and distance between places thereby globally connecting business. Shipments from anywhere, to anywhere can be delivered within 24-72 hrs.

Source: Global Express Association
High Value-added, Time-guaranteed

Industry Sectors, in % of Revenue, 2013

- Engineering & Manufacturing: 30%
- Transportation: 13%
- Consumer Goods: 11%
- Retail: 10%
- Health Services: 8%
- Financial Services: 8%
- Textiles: 3%
- Computer Services: 1%
- Printing: 2%
- Automotive & Transport Equipment: 3%
- Other Services: 14%

Source: Frontier Economics, Express Delivery and Trade Facilitation: Impacts on the Global Economy, January 2015

Name of event, location, date
Seizures in Express Mode Show Positive Trend Over Mail in The EU

- In the EU seizure cases in express shipments in 2014 decreased to 4,117 from 7,390 in 2013.
- Seizure cases in express shipments in the US increased the third year in a row.
- Tracking and tracing technology and information availability combined with targeted operations and continued close cooperation of the express delivery companies with CBP and ICE* lead to growing seizure numbers in the US.
- 11,000 seizure cases in mail operations in the US, compared to 73,000 in the EU.
- Seizure trend corresponds to continued growth of counterfeit sales over the internet.

*In early FY 2015, CBP, in partnership with the Express Association of America and its members, established a new process which allows for the voluntary abandonment of detained goods. The pilot program for this new process, which was supported through a formal recommendation by CBP’s federal advisory committee, the Advisory Committee on Commercial Operations of CBP (COAC), resulted in 2,857 voluntary abandonments and an estimated $2.2 million in interdiction cost savings to the government. (US CBP/ICE IPR Seizure Statistics Report FY 2015)
The Increase in Counterfeit Internet Sales is Affecting our Brands

- The express industry is equally affected by IPR infringement.
- GEA member companies are protected brands.
- Company logos and colour schemes of express carriers are increasingly used on online shop websites without permission.
- Member companies have created dedicated security functions and taken legal actions to close on average some 50 websites per week.
Market Perspective

- Counterfeiters’ production entering increasingly global market place, facilitated by the Internet.
- They follow recognisable business models
- Fakes have an international supply chain
- Rights holders, regulators and enforcement agencies need to focus on source
- Continued focus on destination
  - Diminishes return on effort
  - Only addresses the smaller players
  - Little or no risk to the counterfeiter

Source: Global Express Association; Oxford Economics, The Impact of the Express Delivery Industry on the Global Economy, September 2009
Carrier Perspective

- Stakeholders need to refocus on the origin to have a marked effect:
- Greater chance of significant impact
- Non registration of trade marks in country of manufacture means sourcing is legalised
- IP legislation and penalties in country of manufacture required to support enforcement agencies
- Better return on resource and effort
- Cut out source and attack the main beneficiary
- Regulatory framework to encourage bilateral enforcement activities
GEA Perspective

• GEA is not immune
  ➢ Members have global networks and reach
  ➢ Members’ capacity to identify nature of goods is limited
  ➢ Member operations are integrated and transparent “end to end”
  ➢ Members transport goods in good faith
  ➢ Members’ brands are global and are targets in their own right

• GEA members recognise:
  ➢ Concern for society and the economies they service
  ➢ Rights holders are also our customers
  ➢ Need to reinforce relationships with Customs and stakeholders
Express Delivery Companies protect Intellectual Property Rights

• The goal of express delivery companies is to be regarded by Customs as compliant and trustworthy carriers.
• GEA Members cooperate with Customs to combat IPR offences and customs fraud generally.
• Effective enforcement of IPR infringements requires a risk-based and threat-managed approach, as well as cooperation and information-sharing between rights holders, Customs and express delivery companies.
• Rights holders are the experts in identifying counterfeit items.
• Customs are the competent authority to enforce IPR laws, conduct risk assessments and seize illegal items.
Actions undertaken by Express Delivery Companies include:

• **Advance electronic shipment information:** Express delivery companies transmit electronic information in advance of arrival of shipments to enable Customs to perform risk assessment and target shipments for further examination.

• **Track and Trace** systems allow packages identified by Customs as suspicious to be removed from traffic flows and provided to Customs officers for further examination.

• **Facilities:** Express delivery companies provide Customs officers at express delivery hubs with adequate facilities and equipment to enable them to identify and examine suspect shipments efficiently.

• **Information on shippers and consignees:** Express delivery companies provide Customs administrations with available relevant information that may legally be disclosed on shippers and consignees of shipments identified as containing offending goods.

• **Close accounts** of customers publicly identified by Customs as repeat offenders.
Conclusion

• Better information sharing among stakeholders
  ➢ Customs to share risk information with express carriers
  ➢ Rights holders share supplier information

• Greater Cooperation that is:
  ➢ Legal
  ➢ Sustainable
  ➢ Operationally non-intrusive
  ➢ Consistent in a global context
  ➢ Inclusive of all stakeholders