

Hong Kong Customs combats counterfeit and infringing goods activities involving cross-boundary transshipments and local deliveries (with photos)

Hong Kong Customs conducted a 19-day enforcement operation codenamed "Tracer" from October 16 to November 3 to combat counterfeit and infringing goods activities involving cross-boundary transshipments and local deliveries. During the operation, Customs detected 28 related cases and seized about 77 000 items of suspected counterfeit and infringing goods and about 13 litres of suspected duty-not-paid liquor with an estimated market value of over \$67 million and a duty potential of about \$90,000. Three persons were arrested.

Through risk assessment, Customs inspected seven containers arriving in Hong Kong from Nansha, Guangdong, at the Tuen Mun River Trade Terminal Customs Cargo Examination Compound from October 20 to November 2. After inspection, Customs officers seized about 15 000 suspected counterfeit goods and about 13 litres of suspected duty-not-paid liquor, with a total estimated market value of about \$23 million and a duty potential of about \$90,000 therein, successfully detecting seven related cases.

Moreover, through intelligence analysis and in-depth investigations, Customs detected 21 related cases at various local logistics companies. Customs officers identified and carried out strike-and-search operations at about 30 logistics companies in Kwai Chung, Tuen Mun, Mai Po, Tsing Yi and Yuen Long. About 62 000 items of suspected counterfeit goods, including watches, mobile phone accessories, glasses, clothes and footwear, with a total estimated market value of about \$44 million, were seized.

After follow-up investigations, Customs believed that some of the suspected counterfeit goods would have been sold locally while the rest would have been re-exported to overseas destinations. Also, Customs officers organised controlled delivery operations in respect of two batches of local delivery consignments. On October 27, a 33-year-old female consignee and a 32-year-old woman were arrested in an industrial building unit in Wong Chuk Hang, and about 400 items of suspected counterfeit and infringing goods with an estimated value of about \$20,000 were seized inside. Later, Customs on October 30 raided an upstairs retail shop in an industrial building in Kwun Tong, seizing about 300 items of suspected counterfeit goods with an estimated market value of about \$70,000. A 35-year-old male manager was arrested.

Investigations of the above-mentioned cases are ongoing. The three arrested persons have been released on bail pending further investigation.

Customs appeals to consumers to purchase goods at reputable shops or websites and to check with the trademark or copyright owners or authorised agents if the authenticity of a product is in doubt to avoid buying counterfeit or infringing goods.

Customs reminds practitioners in the logistics industry to comply with the requirements of the Trade Descriptions Ordinance (TDO) and to check with the trademark owners or authorised agents if the authenticity of a product is in doubt when handling cargoes. The department also reminds traders or online sellers not to sell counterfeit or infringing goods and to be cautious and prudent in merchandising since selling counterfeit or infringing goods is a serious crime and offenders are liable to criminal sanctions.

Customs will continue to step up inspections and conduct intelligence-led enforcement to vigorously combat different types of counterfeit and infringing goods activities.

Under the TDO, any person who imports or exports or sells or possesses for sale any goods to which a forged trademark is applied commits an offence. The maximum penalty upon conviction is a fine of \$500,000 and imprisonment for five years.

Under the Dutiable Commodities Ordinance, any person who imports, possesses, sells or buys dutiable commodities without a valid licence commits an offence. The maximum penalty upon conviction is a fine of \$1 million and imprisonment for two years.

Under the Import and Export Ordinance, any person found guilty of importing or exporting unmanifested cargo is liable to a maximum fine of \$2 million and imprisonment for seven years.

Members of the public may report any suspected counterfeiting or infringing activities to Customs' 24-hour hotline 2545 6182 or its dedicated crime-reporting email account (crimereport@customs.gov.hk) or online form (eform.cefs.gov.hk/form/ced002).



