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**AGMA KICKS OFF 2009 BY GATHERING TECHNOLOGY LEADERS TO DISCUSS  
GRAY MARKET AND COUNTERFEIT ISSUES**

**Successful Prosecution of IP Cases and Best Practices Top List of Issues  
Addressed by AGMA Members**

**HOUSTON, Texas, February 10, 2009** – The Alliance for Gray Market and Counterfeit Abatement (AGMA), a non-profit organization dedicated to addressing the gray marketing and counterfeiting of technology products around the globe, held its annual meeting of members and first conference of the year at Cisco's headquarters in San Jose, Calif. on January 21 and 22. The conference was AGMA's largest to date, with over 50 registered attendees from member companies and guests representing the IT industry. The conference was also well attended by law enforcement, government representatives and service providers specializing in anti-counterfeiting and security technology.

AGMA members in attendance heard presentations from 13 speakers and discussed a number of topics ranging from challenges with reporting and audits in the channel, effects of counterfeiting on Internet commerce and government procurement, and partnering with law enforcement agencies to launch and complete successful litigation related to gray market fraud and counterfeit activities. Presenters spoke loud and clear about the loss of consumer loyalty, significant economic harm and mounting business impacts caused by the counterfeit trade.

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A guest speaker introduced the topic of corporate identity fraud and described the ways in which unscrupulous individuals go about stealing and selling corporate identities and intellectual property. The speaker provided valuable techniques and methods to combat the problem and to catch the perpetrators.

Jim Vanlandingham, worldwide channel compliance manager for Hitachi Global Storage Technologies, grabbed the audience's attention with a detailed plan to develop a channel partner audit program, laying out the criteria for planning an effective program for OEMs and channel partners. Adding to this message was Cori Hartje, senior director of Microsoft's Genuine Software Initiative, who espoused the importance of the 'three Es': education, engineering and enforcement. Hartje recommended educating customers on the value of genuine goods and the risks of counterfeits; engineering and developing products in a way that will help protect customers and partners; and enforcing compliance by being prepared to take legal action on the channel that sells counterfeit products.

Several months into the economic downturn, IT companies are now seeing the effects economic factors are having on the IT industry as a whole. This was a pervasive theme of the meeting and made for some lively discussions. "As the global economy is destabilizing, the impact on the IT industry is multi-fold," said Ram Manchi, AGMA president. "The key area impacted is spending. Some businesses and consumers defer their investments indefinitely and some reduce investments to a minimum while searching for lower cost options. The latter may create increased trade of secondary market goods and may also increase the risk of service fraud and counterfeit proliferation in the secondary market. This challenges brand owners to vigorously protect their revenues, while maintaining market balance and high levels of customer satisfaction."

Best practices in counterfeit, discount fraud and service abuse litigation were the primary focuses of a presentation by law firm Sideman Bancroft. In addition, AGMA's government affairs advisor, provided updates on the Federal Acquisition Regulation proposal that is currently up for amendment, the potential trade enforcement bill and the progress of the Anti Counterfeiting Trade Agreement (ACTA) negotiations. AGMA also

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received an update from the U.S Department of Commerce, Bureau of Industry & Services on their current survey findings, which assess the impact of counterfeit electronics in the U.S. government supply chain.

AGMA members frequently work closely with government agencies, and presentations from an Assistant U.S. Attorney in the Computer Hacking and Intellectual Property Unit, along with a representative from Customs and Border Protection (CBP), provided insight into effective methods to bring cases before the U.S. Attorney's office and the CBP.

AGMA's quarterly meetings provide an opportunity for members to share best practices, case studies and expertise in the prevention of global product diversion and counterfeiting of branded merchandise. AGMA's next quarterly meeting will be hosted by Hewlett-Packard on April 15 and 16 in Houston, Texas.

### **About AGMA**

AGMA is a non-profit organization comprised of influential companies in the technology sector including founding members 3Com Corporation, Cisco Systems, Hewlett-Packard and Nortel. Incorporated in 2001, AGMA's mission is to address gray market fraud and counterfeiting of technology products around the globe. The organization's goals are to protect intellectual property and authorized distribution channels, improve customer satisfaction and preserve brand integrity.

AGMA welcomes any technology manufacturer that owns a branded IT product. Aiming to educate a wide audience about the growing IT counterfeit, gray market fraud and service abuse threats, AGMA uses a variety of avenues to cultivate change in the marketplace, including event speaking, educational initiatives, benchmark studies, industry guidelines, and, where appropriate, public policy advocacy in areas like law enforcement and customs. To learn more about AGMA's initiatives or to become a member, please visit [www.agmaglobal.org](http://www.agmaglobal.org).

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