



***FOR IMMEDIATE RELEASE***

**Media Contact:**  
Bob Menzies  
Lages & Associates  
(949) 453-8080  
bob@lages.com

**TECHNOLOGY LEADERS GATHER TO FOCUS ON GRAY MARKET  
AND COUNTERFEIT ISSUES**

**Anti-Counterfeiting Legislation, Online Auction Standards and Red Flag Warning  
Signs Top List of Issues Addressed by AGMA Members**

**FREMONT, Calif., March 7, 2007** – The Alliance for Gray Market and Counterfeit Abatement (AGMA), today announced the main highlights of its first 2007 global members' meeting. The meeting was held on January 16 and 17 and was hosted by QUALCOMM in San Diego, Calif.

AGMA is a leading industry forum providing technology companies the opportunity to discuss present black market and gray market issues. AGMA members review best practices and case studies and share insights into how global product diversion and counterfeiting activities erode consumer confidence in branded merchandise. Participant discussions focus on providing greater customer satisfaction, educating the marketplace about the illegal or deceptive diversion of products, and highlighting the unauthorized flow of products to the gray and black markets.

At the meeting in San Diego, the global members discussed recent U.S. Government initiatives focused on protecting the intellectual property of U.S. companies in the global marketplace, including the Bush Administration's STOP (Strategy for Targeting Organized Piracy) initiative. AGMA's legal advisors, Paul, Hastings, Janofsky & Walker LLP led a discussion on the need to raise awareness in Congress and the Administration

of the global counterfeiting and product diversion threat and the adverse effects of that threat on U.S. companies and global consumers.

AGMA members discussed concerns about the lack of standards among online auction sites requiring sellers to provide information about goods being sold. This lack of disclosure allows sellers to mislead consumers and blocks the ability of consumers to make informed purchase decisions, including information about the quality (or lack thereof) of warranty limitations or associated software licensing restrictions. The marketplace is reacting, but too slowly and incompletely. While some sellers are disclosing more information in order to differentiate themselves, in too many cases important information is withheld from the consumer. AGMA believes that online auctions should be held to the same standards as other avenues of commerce, in which the seller is required to disclose relevant and material information about the item or service being sold. AGMA's Online Auction Committee proposes to collaborate with online auctions to help develop appropriate disclosure standards.

"Online auctions continue to be a conduit for counterfeit goods," said Peter Hlavnicka, AGMA treasurer. "It is important for us to scrutinize all potential areas of counterfeiting and bring a cooperative effort to help address the problem and offer best practices for the IT industry in fighting the IT black market. Our quarterly members meetings provide us with a forum for bringing critical industry gray market and counterfeit issues to the table, and give us an opportunity to work together to identify solutions and potential issues on the horizon."

AGMA's quarterly meeting is a forum where members share their experiences in identifying and preventing counterfeiting, fraud and other illegal practices. At the San Diego meeting, Qualcomm provided an overview of its brand protection programs. The meeting also featured a workshop in which members discussed common "red flags" and warning signs indicating that a proposed purchase might be seeking to engage in fraud.

Keeping with AGMA's global focus, which includes the establishment of regional councils in Europe and Asia, the main topics from the global meetings are also discussed during the regional council meetings to include each region's unique viewpoints.

## About AGMA

The Alliance for Gray Market and Counterfeit Abatement (AGMA) is a non-profit organization comprised of influential companies in the technology sector including founding members 3Com Corporation [NASDAQ: COMS], Cisco Systems, Inc. [NASDAQ: CSCO], HP [NYSE, Nasdaq: HPQ] and Nortel [NYSE/TSX: NT]. Incorporated in 2001, AGMA's mission is to mitigate the gray marketing and counterfeiting of technology products around the globe. The organization's goals are to help members in their efforts to protect authorized distribution channels and intellectual property of authorized goods to improve customer satisfaction and preserve brand integrity. AGMA is open to any technology manufacturer that owns a branded IT product. For more information, please visit [www.agmaglobal.org](http://www.agmaglobal.org).

###