

THE HIDDEN MARKETPLACE
PROTECTING INTELLECTUAL PROPERTY IN THE
WORKPLACE

**Research into IP Infringement in the Workplace:
Awareness, Attitudes and Enforcement**

**Report produced by
Patricia Lennon**

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Patricia Lennon
Tel: 01943 816292
patricia Lennon1@btinternet.com

1. Background

The research detailed in this report comprises Phase 1 of a project that is designed to tackle the issue of intellectual property (IP) infringement in UK places of work. Phase 1 aims to understand the scale of this problem and to assist in identifying possible next steps.

The starting point for the project grew from findings revealed in two consumer surveys examining the purchase of counterfeit and pirate products. The most recent of these, Ipsos-Mori's survey, *Digital and Physical Piracy in GB*¹, revealed that of those people who had bought counterfeit film/TV products in the previous 12 months, 13% had bought such products at work.² Of those people who had bought home-copied film/TV DVDs, 19% stated that they bought them at work.³

This finding sits alongside conclusions drawn in an earlier survey carried out as part of the Intellectual Property Theft and Organised Crime (IPTOC) *Fake Nation* research project⁴ which examined the demand side/consumption aspects of the counterfeit market. The survey found that 'purchase of counterfeit DVDs [and copied music CDs] was claimed by focus group participants to be common amongst work, school and college networks' and that 'copied computer games were most typically purchased from pubs and other social environments.'

IPTOC also found that 'consumers were more reluctant to accept downloaded copies as "theft", "wrong" or having a direct economic impact'.

Sales of counterfeit and pirate products are an established part of the informal economy (see Appendix A for extracts from three consumer surveys); within that economy, car boot sales and street traders are well-documented as locations for these products. What emerges from both Ipsos-Mori and IPTOC is that there is also a flourishing trade within social networks, where sellers and purchasers are known to each other, and most importantly, where they trust one another.

The very nature of these networks means that these exchanges have low visibility beyond the immediate environment in which they take place. The familiarity of the environment also adds a note of 'normality' to the sale and purchase of counterfeit and pirate products, which dilutes any association with criminality.

Any criminal activity (not just IP crime) is difficult to tackle within close-knit social groups, however, within managed business environments, including public and private sector organisations, pubs and places of education, a greater degree of education and enforcement is possible. This research project, therefore, sets out to get a better picture of what is happening in these 'hidden marketplaces' with a view to developing tools and assistance for employers and enforcement agencies which will help to tackle the problem from the inside.

¹ IPSOS MORI GB Wave 5: November 2007. 2000 adults aged 15+ were interviewed by Ipsos in their own homes as part of its Capibus study. The sample is nationally and regionally representative.

² Car boot sales and street vendors were identified by Ipsos-Mori as the most common purchasing location for people who admitted to buying counterfeit DVDs (26% and 21% respectively); 17% of people who bought counterfeit film/TV products bought them at someone's home; 13% at work; and 5% in the pub.

³ Ipsos-Mori found that most people who bought home-copied DVDs of films/TV (56%) bought them at someone else's home; 19% bought them at work; 12% bought them in their own home; 7% bought them in a pub/café and 7% at school or university.

⁴ 'Fake Nation: A Study into an Everyday Crime'. Bryce and Rutter: The University of Manchester and University of Central Lancashire 2005. 2,000 people surveyed via postal and web-based questionnaires and nine focus groups.

2. Research Approach

The research project comprised quantitative research of employers in private and public sector organisations and qualitative research among enforcement officers.

2.1 Survey of Employers

The research of employers was carried out by ICM who interviewed a random sample of 1009 adults working at manager level⁵ or above aged 18+, via an online survey, between 28th August – 4th September 2008.

The sample included both private sectors businesses and public sector organisations and ranged from sole traders/micro businesses to organisations with more than 500 employees.

The survey examined:

- each respondent's attitude to the value of IP and their organisation's approach to protecting its own IP;
- what level of awareness exists among employers of the problem of IP theft in the workplace generally – i.e. buying and selling counterfeit or pirate products among employees, illegal downloading, file-sharing and unauthorised copying of copyright material, use of unlicensed software and other forms of IP theft;
- how many have experienced IP theft at first hand as a problem in their current or previous workplace;
- what actions (if any) have been taken when they have become aware of IP theft in their place of work;
- how many have policies in place to make employees aware that IP infringement is prohibited;
- what disciplinary action is taken;
- personal attitudes towards counterfeit and pirate products;
- where would employers expect to go to find assistance on this issue;
- what resources would employers find useful to assist them in this area.

The full set of survey questions is attached as Appendix B.

2.2 Enforcement Research

Telephone interviews took place with 27 trading standards officers, representing a range of different types of authorities, across England and Wales. The sample was drawn from trading standards officers who, when made aware of the research at the TSI Conference 2008, offered to take part and also those who approached the Industry Trust for IP Awareness during summer 2008 to request copyright theft posters.

During the telephone interview, the respondents were asked:

- whether they had come across incidents of members of staff within an organisation buying and selling counterfeit and pirate products to each other within the workplace;

⁵ Management levels were categorised as follows: Owner/proprietor; Managing director; Board level Director/partner; Director – not board level; Senior management; Middle management; Management (NB: Management = the first rung of management within an organisation).

- whether they had come across people from outside an organization entering its premises to sell counterfeit/pirate goods to its staff and/or customers;
- in each scenario, what products were being sold, how were they advertised, how did TS hear about it, what follow-up action took place;
- any particular difficulties;
- what information resources they would find helpful to assist in educating employers about this issue.

A full set of the questions used within the telephone interviews is attached as Appendix C.

3. Survey of Employers: Key Findings

Question 1: To what extent do you agree or disagree with the following statement:

Protection of intellectual property (IP) is an essential business activity. It protects investment in innovation, with income streams generated by IP rights enabling creators and investors to dedicate time and resources to new projects.

92% of respondents agreed with the statement: ‘Protection of intellectual property (IP) is an essential business activity. It protects investment in innovation, with income streams generated by IP rights enabling creators and investors to dedicate time and resources to new projects.’

The level of agreement to this statement is fairly consistent across all job positions, organisations of different sizes and public and private sectors groups.

But as responses to the next question showed, this strongly stated belief in the value of protecting IP reflects an aspiration rather than a reality.

Question 2: Does the organisation in which you are employed carry out any of the following measures to protect its IP (intellectual property) rights?

- *Registers its trade mark(s)*
- *Registers its patent(s)*
- *Training for employees to educate them about the value of IP rights and the risks and harm of infringing IP rights*
- *Takes action against other businesses or individual for infringement of organisation’s IP rights*
- *None of the above*

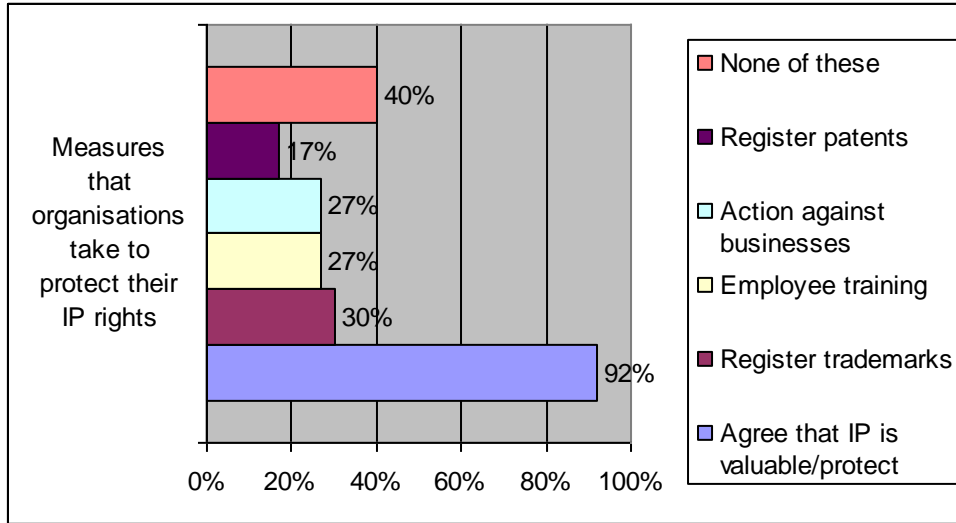
The survey showed that whilst there is such strong agreement about the value of protecting IP, 40% of respondents that support this view confirm that their organisations do not register trademarks, educate employees in the value of IP, take action against anyone infringing their rights or register patents; only 30% register trademarks; just 27% carry out training of employees in this area; 27% take action against other businesses for infringing IP; and 17% register patents (fig 1 below).

Conclusion: There is strong agreement that IP is a valuable asset and should be protected . . . but these thoughts don’t always translate into action.

Comment: The respondents’ strong support for IP protection contrasts with a lack of concrete action, reflecting an aspiration rather than the reality. Does this duality also exist in attitudes towards the protection of other organisations’ IP within their workplace?

Fig 1: Percentage of businesses that agree that ‘Protection of IP assets is an essential business activity’ compared to the percentage taking practical action to protect IP

[Base All those who agree that IP protection is an essential business activity = 927 people]



Question 3: Does your organisation allow employees to advertise items for sale to colleagues through any of the following means?

1. Staff newsletter
2. Intranet
3. Posters on notice boards etc
4. Circulating lists or catalogues of goods for sale
5. Bringing in items for sale to show to work colleagues
6. We don't allow staff to advertise or sell items to their colleagues at work (single code)
7. Don't know

More than half of all organisations (56%) allow employees to advertise items for sale to other members of staff. This figure increases to 75% of organisations with 500 or more employees (figs. 2 and 3 below).

Fig 2:

[Base all respondents:1009 people]

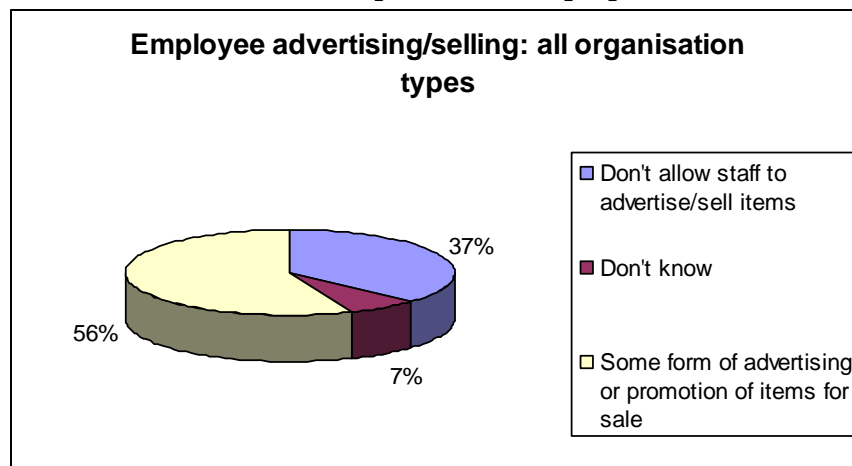
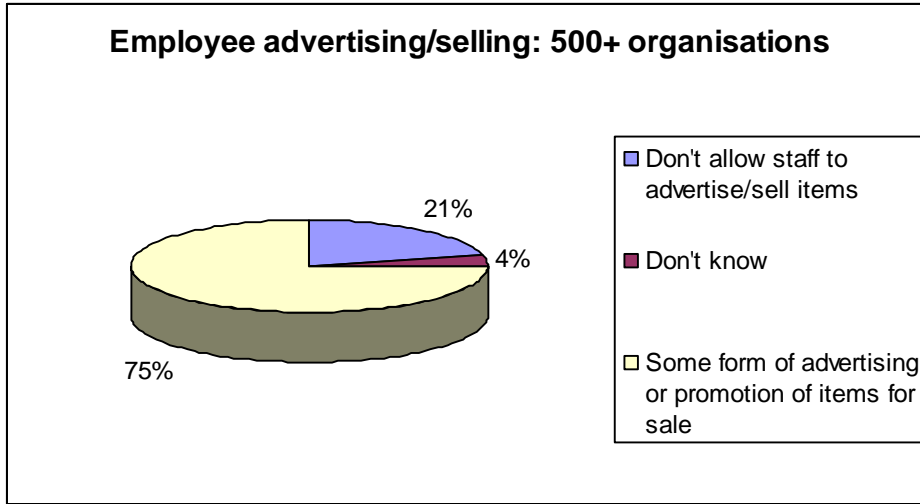


Fig 3:

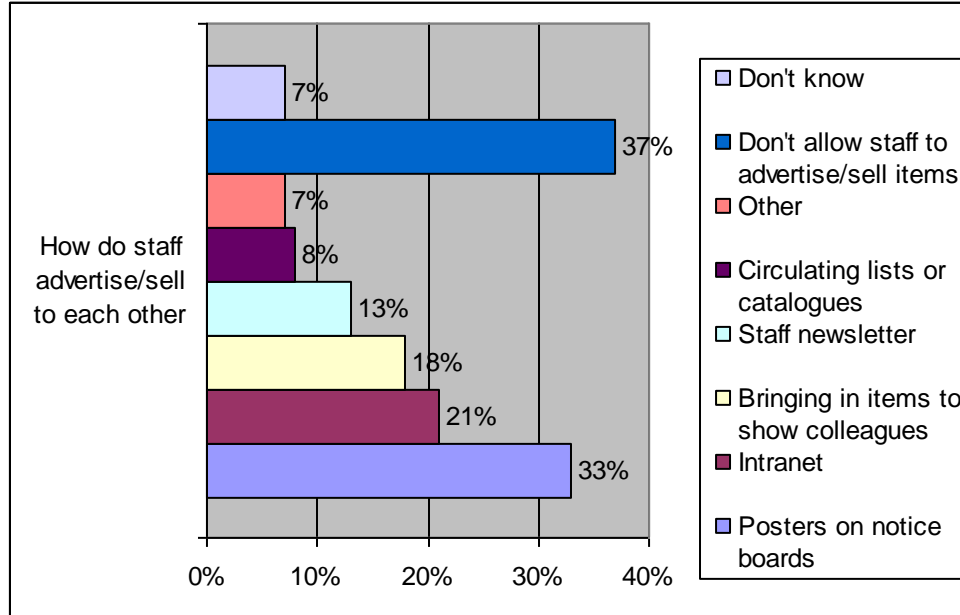
[Base: respondents in organisation of more than 500 employees = 306 people]



Across all respondents the most commonly stated way in which employees advertised goods for sale was via posters on notice boards (33% of respondents) and the intranet (21%).

Fig 4: How do employees generally advertise and sell items to their colleagues at work

[Base: all respondents = 1009 people]



Conclusion: Informal trading networks exist within places of work.

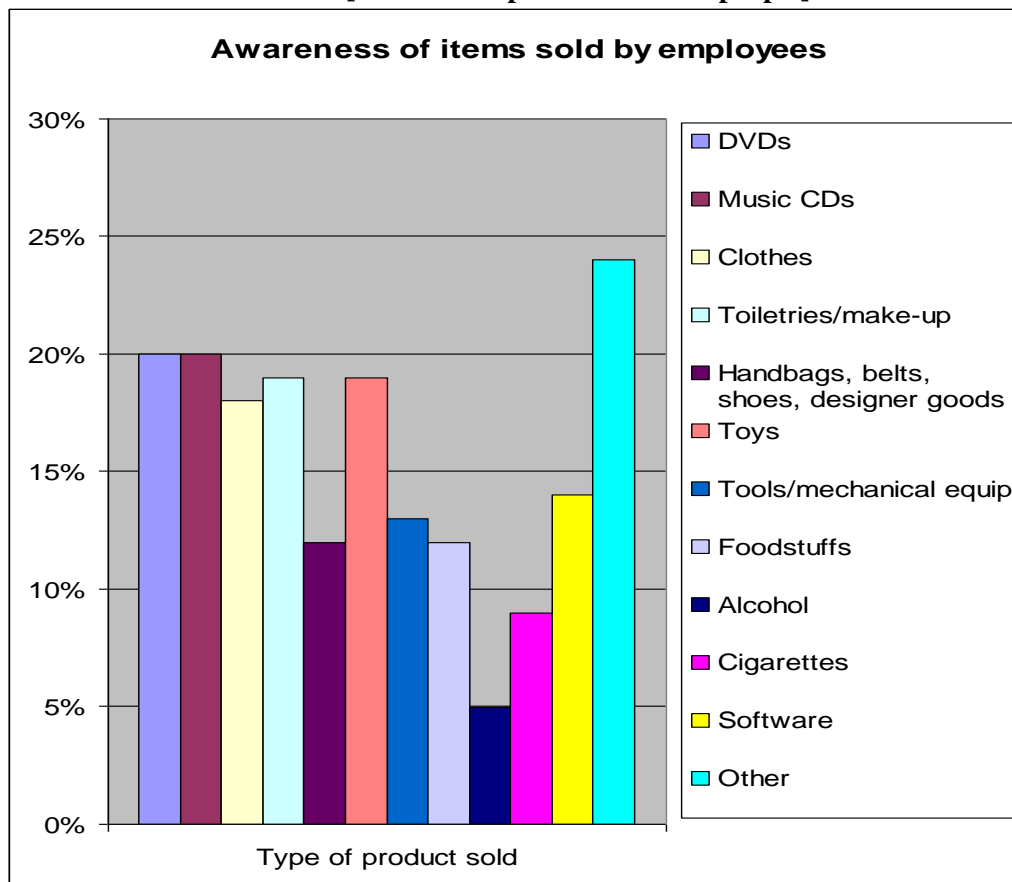
Comment: The acceptance of buying and selling goods between staff may assist in 'normalising' any trading of counterfeit and pirated items. Large trading networks may be harder to 'police' and, therefore, may be more susceptible to becoming a marketplace for illicit items. On the other hand, the fact that goods for sale are commonly traded overtly via notice boards and the intranet suggests that internal checks and procedures could be easy to introduce.

Question 4: Apart from items that your staff are engaged to sell as part of their employment with your organisation, are you aware of any of the following items being sold in the workplace by a member of staff, to other employees or customers and can you indicate if they were counterfeit or genuine items?

1. DVDs
2. Music CDs
3. Software
4. Clothes
5. Toiletries and make-up
6. Handbags, belts, shoes or other 'designer' goods
7. Toys
8. Tools and mechanical equipment
9. Foodstuffs
10. Alcohol
11. Cigarettes
12. Other goods

Fig 5:

[Base: all respondents = 1009 people]



DVDs are, jointly with music CDs, the most common product sold in the workplace. 20% of respondents were aware of DVDs being sold by a member of staff in their workplace and of these respondents, nearly 1 in 5 (19%) stated that the DVDs sold were counterfeit and 41% didn't know if they were genuine or pirate copies. (See Fig. 5 above and Fig .6 below for all product types).

Music CDs 20% of respondents were aware of music CDs being sold by a member of staff in their workplace and of these respondents, 13% stated that the CDs sold were counterfeit and 46% didn't know if they were genuine or pirate copies.

Clothes are also a commonly traded item. 18% of respondents confirmed that there was a trade in clothing amongst employees, of these just 3% stated that the clothes sold were counterfeit and 41% didn't know whether they were genuine or fake.

Software sales were reported by 14% of respondent and of these 9% stated that the items sold were counterfeit and 38% weren't sure if they were genuine or counterfeit copies.

Designer accessories such as handbags, belts and shoes emerged as a product area in which employers were less certain as to the validity of the goods sold. 12% of respondent were aware of these good being sold and of these only 41% stated that these goods were genuine, 10% indicated that they were counterfeit and 50% were not sure whether they were genuine or counterfeit.

Toiletries and Make-up have, for many years, been legitimately sold through informal networks of agents, for example Avon and Virgin V products, so it is unsurprising that 19% of employers surveyed were aware of toiletries and cosmetics being sold within their workplaces. It is also not surprising that these employers are more confident of the bona-fide status of these goods – just 3% of the respondents who knew that toiletries and cosmetics were sold by employees at work stated that they were fake and 29% didn't know.

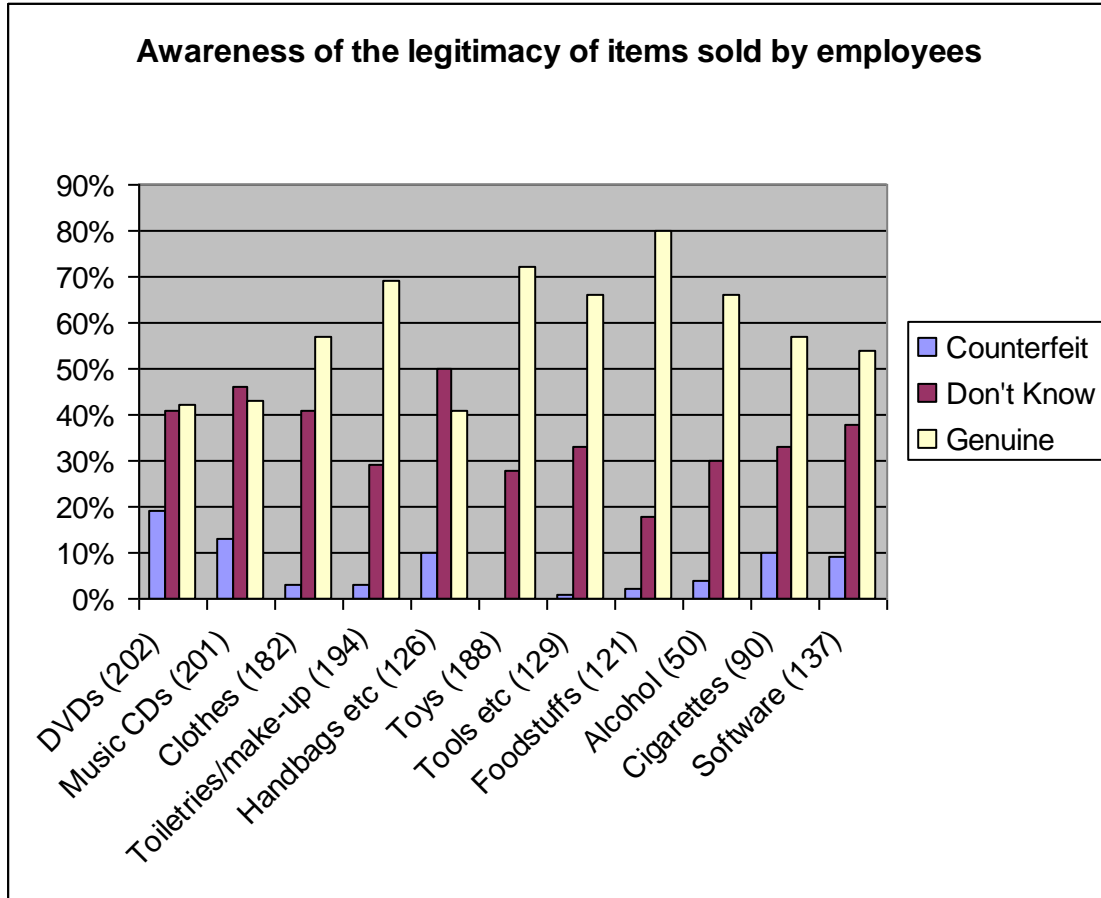
Other items that were specifically surveyed, and where employers appeared to be more confident in the validity of the goods sold, were as follows: **Toys**, which were widely reported as being sold at work (19% of respondents) none of these respondents indicated that the toys sold were counterfeit and 28% weren't sure; **Tools and Mechanical Equipment** for which, of the 13% of respondents who were aware of these good being sold, just 1% stated that they were counterfeit and 33% weren't sure; **Foodstuffs** were reported as being sold by 12% of respondents but just 2% stated that these were counterfeit and 18% weren't sure;

Sales of **Alcohol** were acknowledged by a very small number (5%) of respondents of whom a statistically insignificant number (4%) stated that this was counterfeit and 30% didn't know; sales of **Cigarettes** were reported by 9% of businesses and of these 10% stated that they were counterfeit and 33% weren't sure. The relative uncertainty over the validity of cigarettes and alcohol is possibly indicative of confusion between 'non-duty paid' products and counterfeits.

Fig 6 below: Awareness of the legitimacy of the items sold within the workplace by employees

Fig 6:

[Base: respondents aware of the sale of items in the categories noted below = the number of people is shown in brackets next to each category of item]



Responses to this question also indicate that different management groups have differing levels of awareness of the legitimacy of items sold by employees in the workplace. Whilst it should be noted that the samples are small⁶, the difference in awareness between owners/directors⁷ and respondents in the lowest management group is sufficiently marked to be worth noting. (See fig. 7 below). Almost 1/3 of all respondents in the lowest management group, who were aware of sales of DVDs and/or CDs in their place of work, stated that these were counterfeit.

Conclusion: The prominence of DVDs as the most widely reported counterfeit/pirated product sold in the workplace corresponds with findings in the survey of trading standards noted in Section 4 below.

Comment: The difference in awareness of sales of counterfeit DVDs and music CDs between owners/directors and managers also tallies with findings in the enforcement survey, which

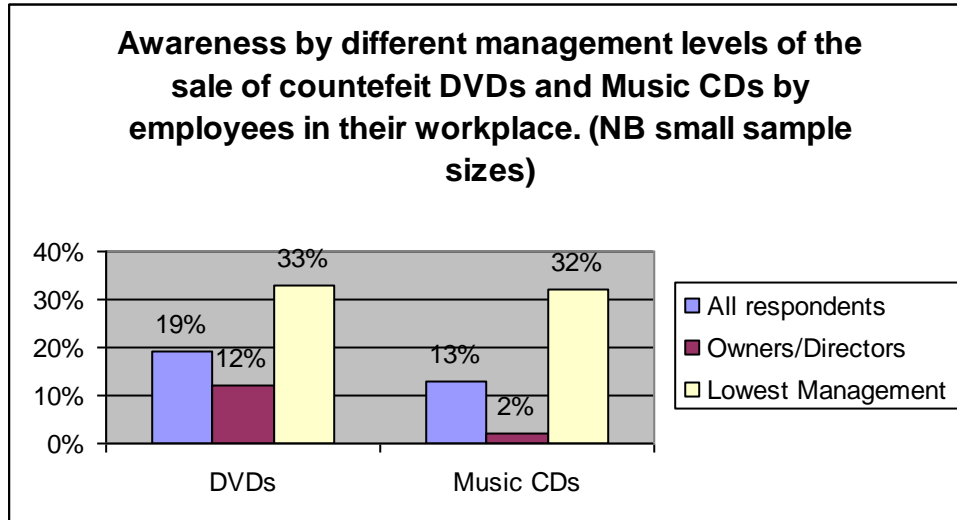
⁶ Base: all respondents aware of employees selling DVDs = 202 and all respondents aware of employees selling music CDs = 201. Sample size for awareness of DVD sales is 42 Owners/Directors and 49 Managers. Sample size for awareness of CD sales is 44 Owner/Managers and 44 Managers.

⁷ This group comprises owners/proprietors, managing directors, board level directors/partners, non-board level directors.

indicate that, generally, people in lower management positions within an organisation are more aware of what is happening in this arena than those in the highest management positions in an organisation.

Fig 7:

[Base: all respondents aware of employees selling DVDs = 202 and all respondents aware of employees selling music CDs = 201. Base: Owners/Directors aware of DVD sales = 42 Owners/Directors and 49 Managers. Base: Owners/Directors aware of CD sales = 44 Owner/Managers and 44]

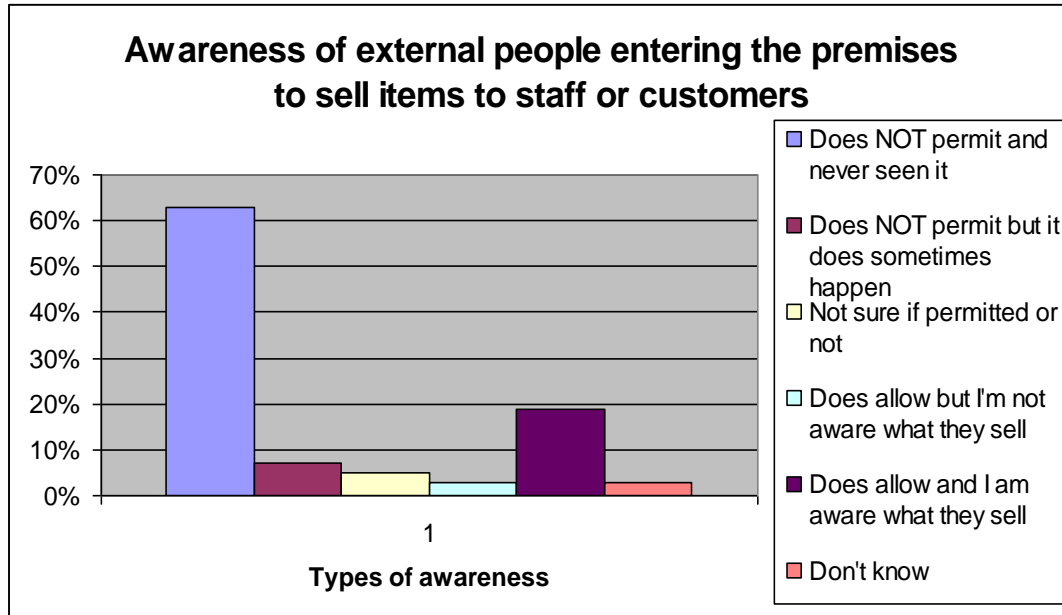


Question 5: Apart from authorised trade suppliers and members of staff, which of the following applies to your organisation when letting other individuals come onto the premises to sell items to your staff or customers?

1. *My organisation does not permit such individuals to enter its premises to sell items and I have never seen this take place*
2. *My organisation does not permit such individuals to come onto its premises to sell goods but I am aware that this does sometimes take place*
3. *My organisation does allow such individuals to enter its premises to sell items but I am not aware what they sell*
4. *I am not sure if my organisation allows such individuals to enter its premises to sell products or not*
5. *My organisation does allow such individuals to enter its premises to sell items and I am aware of what they sell*
6. *Don't know*

Fig 8:

[Base: all respondents = 1009]



Question 6: Do you think the items sold on your work premises by individuals other than staff or trade suppliers are genuine or counterfeit?

1. DVDs
2. Music CDs
3. Software
4. Clothes
5. Toiletries and make-up
6. Handbags, belts, shoes or other 'designer' goods
7. Toys
8. Tools and mechanical equipment
9. Foodstuffs
10. Alcohol
11. Cigarettes
12. Other

When asked about people from outside the organisation coming into the workplace to sell items, 19% of people surveyed reported that their organisation allowed 'external' people to come into their workplace and they were aware of what they were selling (see Fig. 8). Of these⁸, 22% were aware of DVDs being sold and the same number of people were aware of music CDs being sold. For both product types, 31% who were aware of their sale by 'external' people either believed them to be counterfeit or were not sure if they were genuine or pirate copies.

17% of respondents who were aware of 'external' sellers entering the premises and were aware of what they were selling, knew that they were selling clothing and of these, around 1/3 (34%) were not sure if they were genuine or fake.

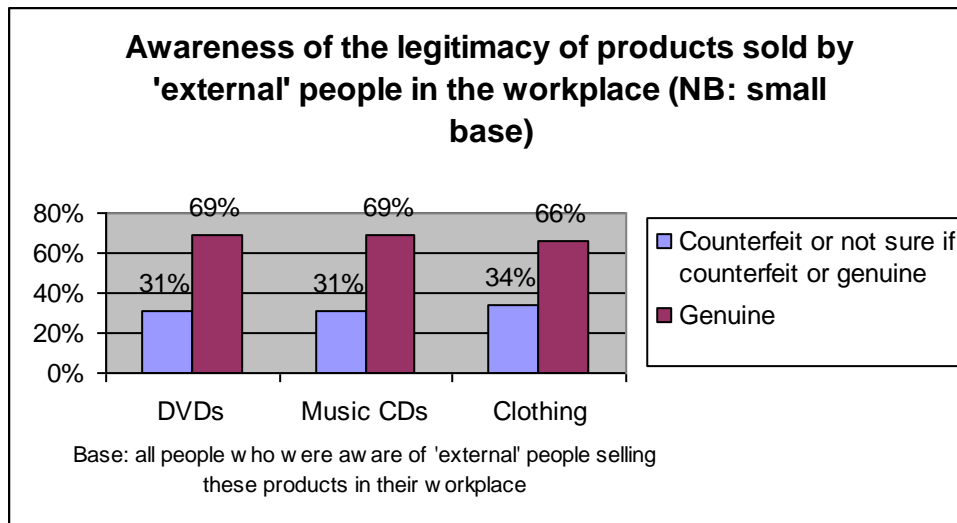
⁸ NB: base of 188 individuals who answered 'yes' to the statement 'My organisation does allow [external] individuals to enter its premises to sell items and I am aware of what they sell'

Awareness of toys and also toiletries and make-up being sold by external people was relatively high in this area (32% and 27% of respondents to this question respectively) and there was more confidence in the validity of these goods – 20% were not sure if the toys sold by external people were genuine or fake and 18% were not sure if the toiletries sold were genuine or fake.

Very small numbers of respondents, who were aware of ‘external’ sellers and what they were selling, knew they were selling cigarettes (3%) or alcohol (2%).

Fig: 9

[Base: organisations allowing external sellers and aware of what they sell = 188 people]



Conclusion: Where ‘external’ sellers are known to be trading in DVDs, music CDs and clothing, around 1/3 of respondents who are aware of this activity, stated that they did not know if these goods were genuine or counterfeit/pirated.

Comment: Whilst the sample sizes are small in these cases, the relatively high levels of uncertainty over the legitimacy of DVDs, music CDs and clothing sold by external people indicates that employers are not sufficiently concerned to make sure of the legitimacy of what is being sold and are effectively ‘turning a blind-eye’ to this activity.

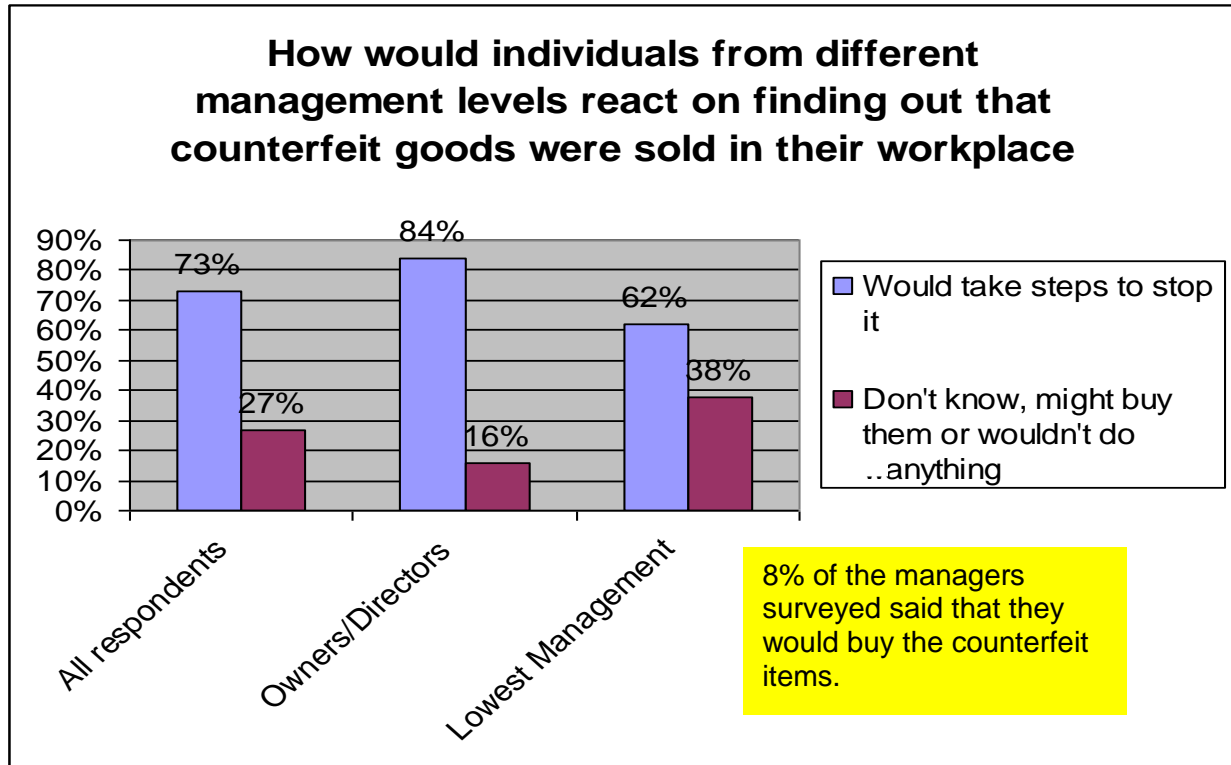
Question 7: If you became aware of counterfeit or pirated products being sold within your organisation which, if any, of the following actions might you take?

1. *I might buy them*
2. *I would take steps to make sure it was stopped*
3. *I wouldn't do anything*
4. *Don't know*

When asked what they would do if they became aware of counterfeit or pirate products being sold in their workplace, 73% of respondents replied that they would take steps to make sure it was stopped. Whilst revealing that a majority would take positive action, it also shows that there is a significant minority who are disassociated from the issue: i.e. the remaining 27% would either buy the counterfeit or pirate items, do nothing or aren't sure what they would do (fig. 10).

It is notable that in response to this question, 84% of owners/directors surveyed would 'take steps to stop it' whilst only 62% of managers (i.e. the lowest management position) would take the same action. In fact 8% of the managers surveyed said that they would actually buy the counterfeit items.

Fig 10:



Conclusion: A high degree of ambivalence is evident . . . particularly among lower management.

Comment: Are lower management levels less likely than higher levels to 'take steps to stop it' because they are afraid of exposing the issue and being seen to be culpable or perhaps because they are more likely to be closer to the perpetrators?

Question 8: If a member of staff has been found selling counterfeit or pirated products within your workplace, which, if any, of the following actions did your organisation take?

They were told to stop selling the items

1. A written warning was given
2. They were dismissed
3. An external enforcement agency was advised (e.g. police, trading standards, HM Revenue & Customs)
4. No action was taken
5. I am not aware that we have ever had an instance of an employee selling counterfeit or pirated material at work.

73% of all respondents stated that they were not aware of any instance of a member of staff selling counterfeit goods. 13% reported that they were aware that a member of staff had been told

to cease selling counterfeits; 8% were aware that a member of staff had received a written warning for selling counterfeits; 5% reported that a member of staff had been dismissed for this activity and the same number (5%) stated that an external enforcement agency were brought in. Just 1% reported that no action was taken.

Fig 11:

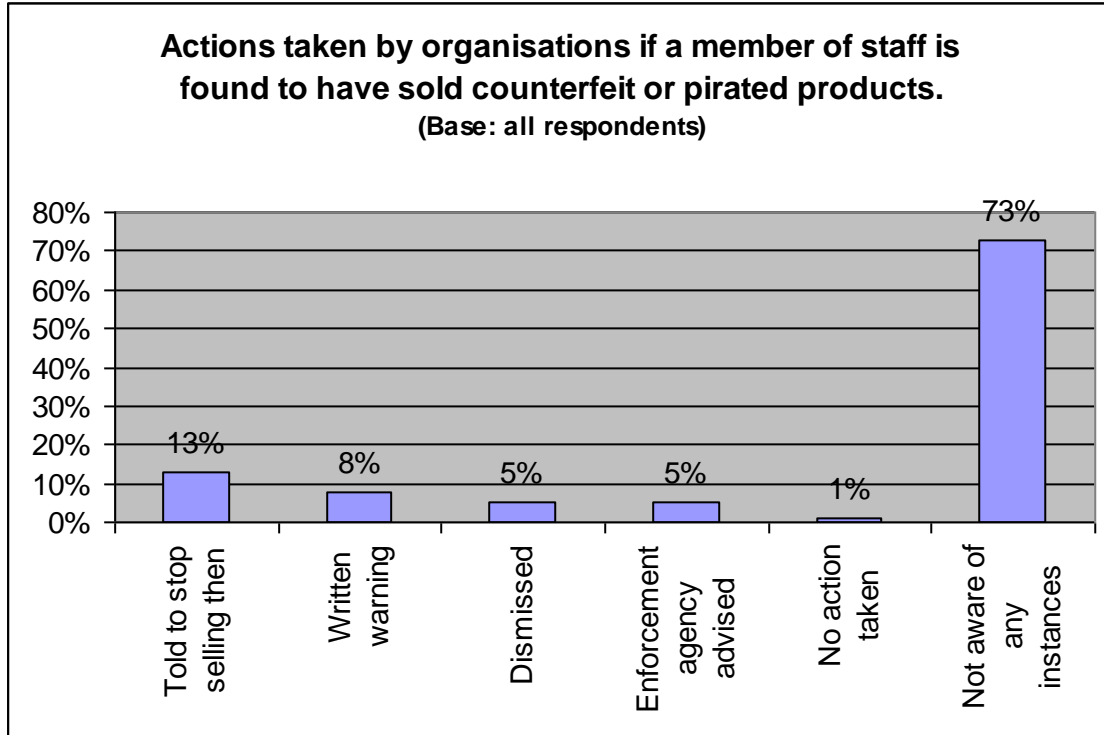
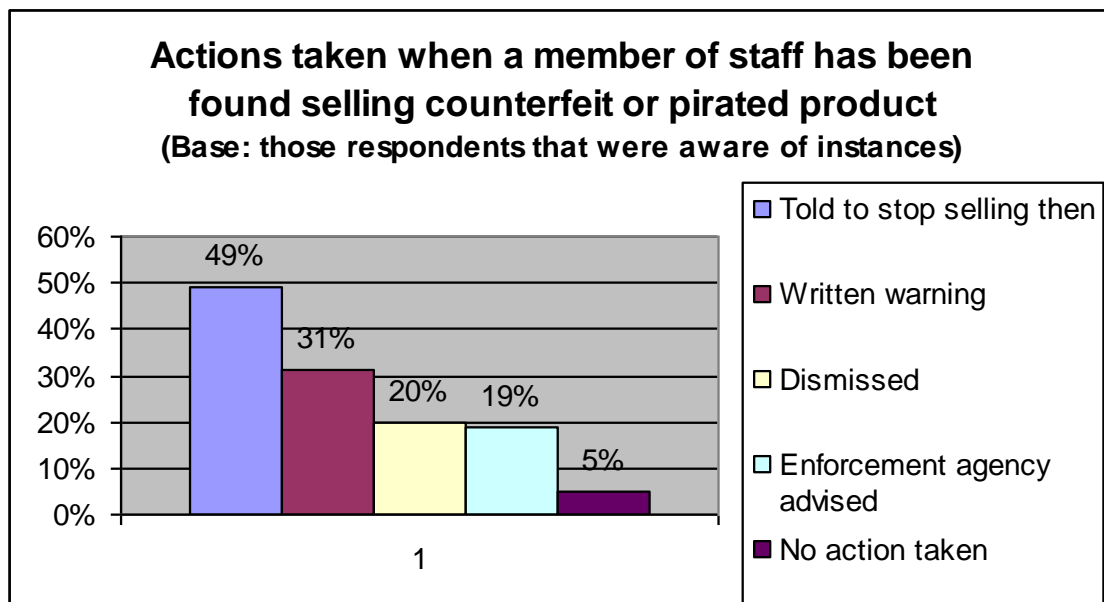


Fig 12:

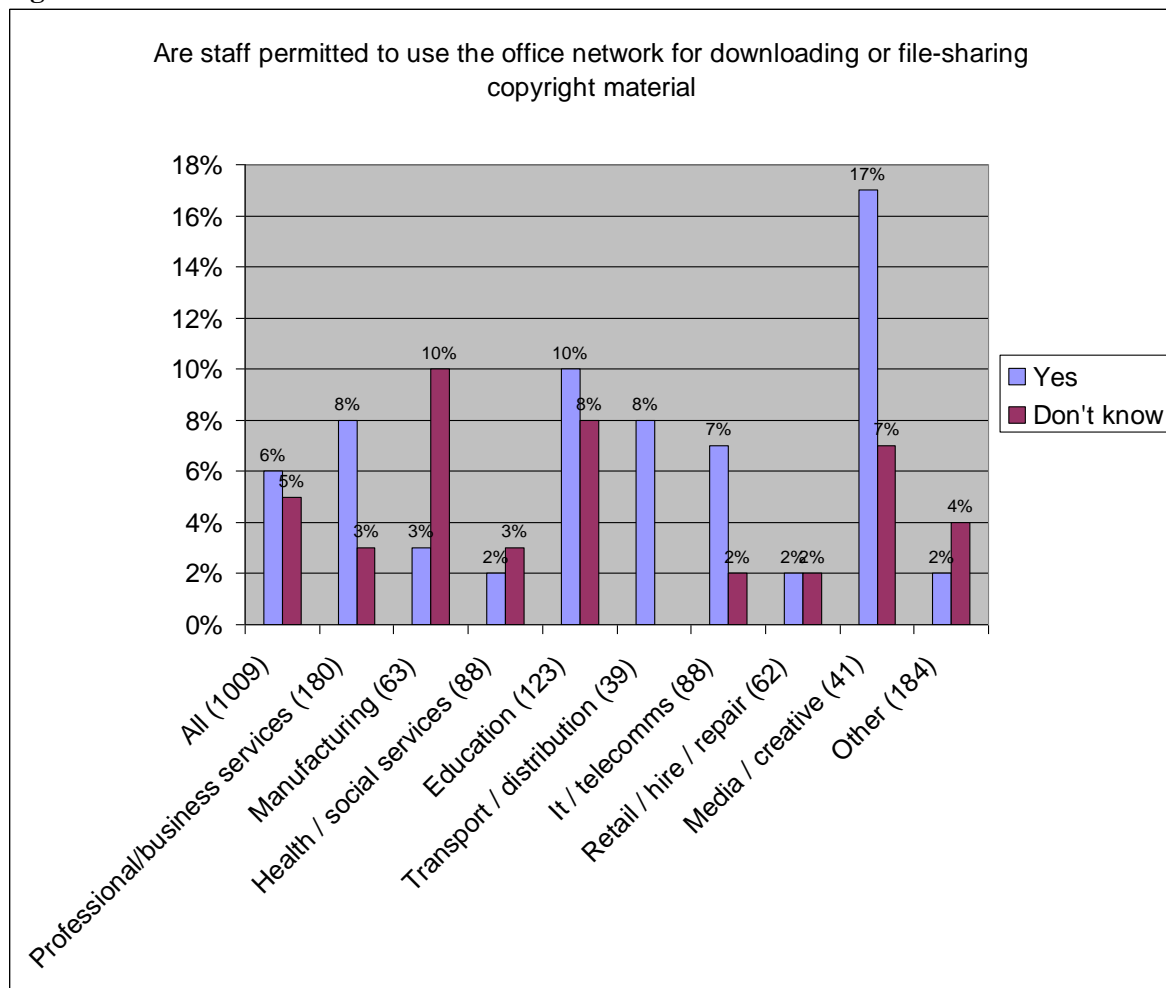


Conclusion: businesses tend to resolve this issue internally. Of those businesses that were aware of instances of staff selling counterfeit or pirated items, nearly 1 in 5 advised an external enforcement agency.

Question 9: Does your organisation permit its staff to use the office network for downloading or file-sharing copyright material such as software, films/TV and music?

The survey shows that policies regarding downloading and file-sharing of copyright materials vary greatly across different business types. Across all organisations, 6% of respondents stated that their businesses permit staff to download or file-share copyright material and 5% of respondents do not know whether it is permitted or not. However responses indicated that 17% of media and creative services companies permit downloading and file-sharing (7% don't know); 17% of organisations in the arts/sports/recreation sector allow downloading; 12% of construction companies and 10% of education organisations permit downloading and file-sharing. NB: the sample size for organisations in the arts/sports/recreation sector and also in construction is small (23 and 34 companies respectively) and so these have not been included in fig 13 below.

Fig 13:

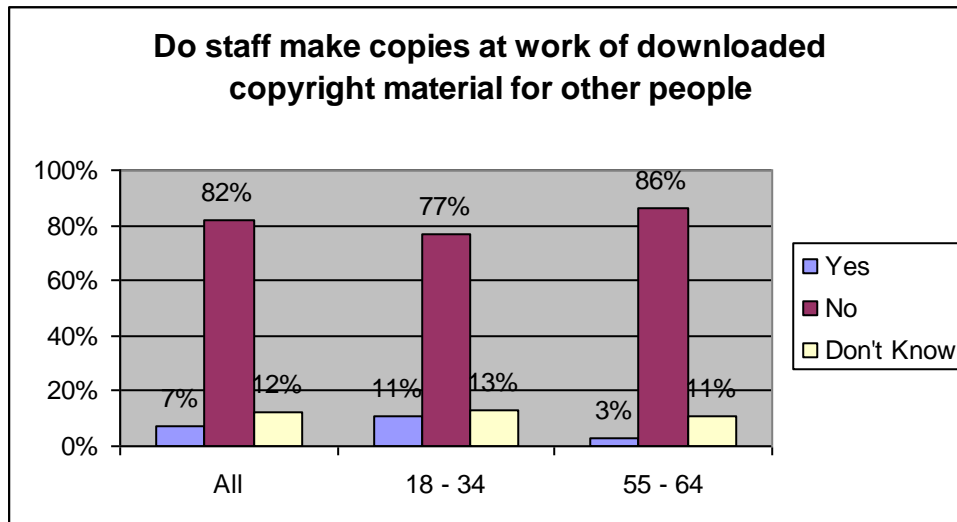


Question 10: Do members of staff make copies at work of downloaded copyright material for other people (e.g. make music CDs, burn movies, software or TV programmes to DVDs, photocopy printed materials, or copy photographs)?

On the issue of members of staff making copies at work of downloaded copyright material for other people (e.g. making music CDs; burning movies, software or TV programmes to DVDs; photocopying printed materials; or copying photographs) 82% of businesses state that this doesn't happen, however, a significantly high number of respondents (12%) reported that they didn't know whether it took place or not, 7% stated that it definitely did take place.

It is interesting to look at the age of the respondents to this question as responses reflect general consumer attitudes⁹: 11% of respondents in the 18-34 age group replied that making copies of downloaded copyright material for other people does take place in their workplace; at the other end of the scale, only 3% of people in the age group 55-64 stated that they were aware of this activity taking place (see fig. 14).

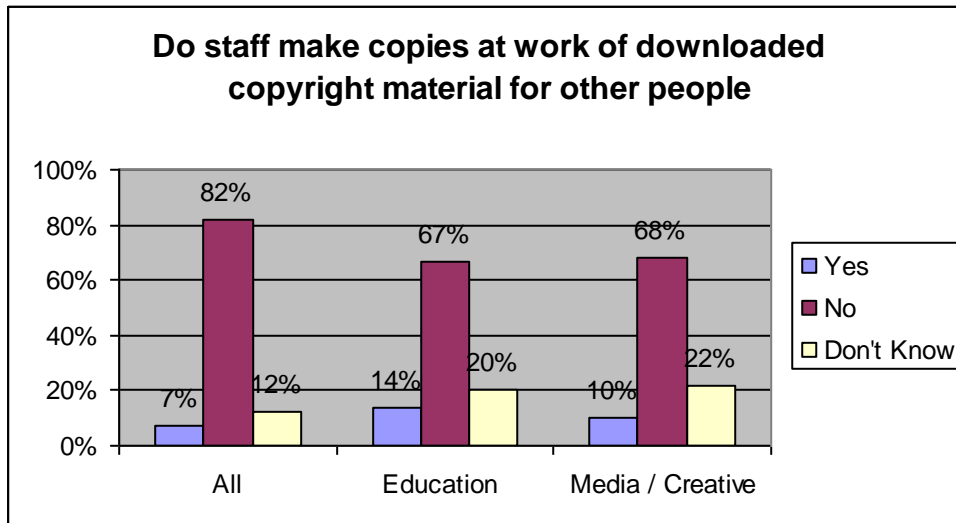
Fig 14:



Industry variations are again evident in this area: only 67% of executives in education services and 68% in media and creative services state that, in their organisations, copies of downloaded materials are not made for other people compared to an average of 82% across all organisation types (see fig. 15).

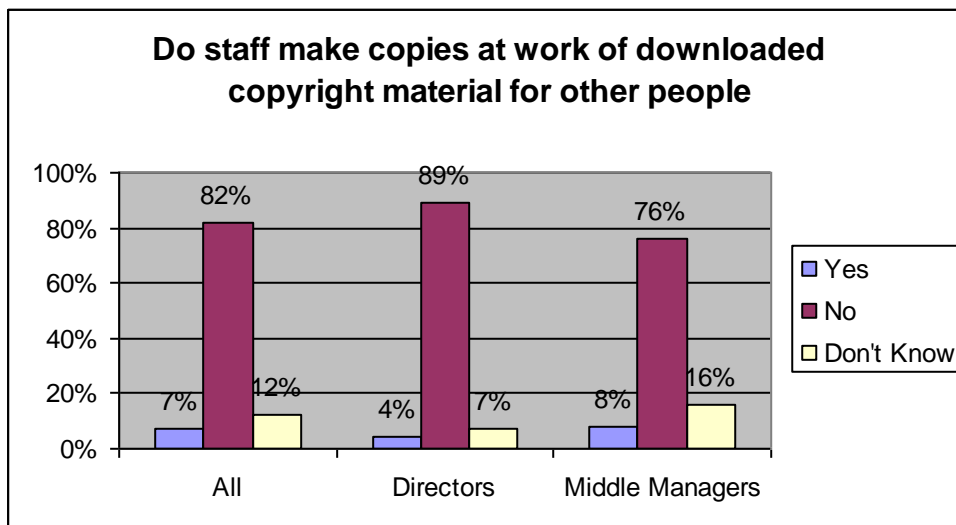
⁹ Ipsos-Mori 2007 survey 'Digital and Physical Piracy in GB' found that downloaders are significantly more likely to be male and to be under 34 than the overall population.

Fig 15:



The position of the respondent within the organisation appears to affect their awareness of whether staff may be infringing copyright by downloading and file-sharing: 89% of directors state that in their place of work staff do not make copies of downloaded material for other people, however only 76% of middle managers state that it doesn't take place (see figure 16).

Fig 16:



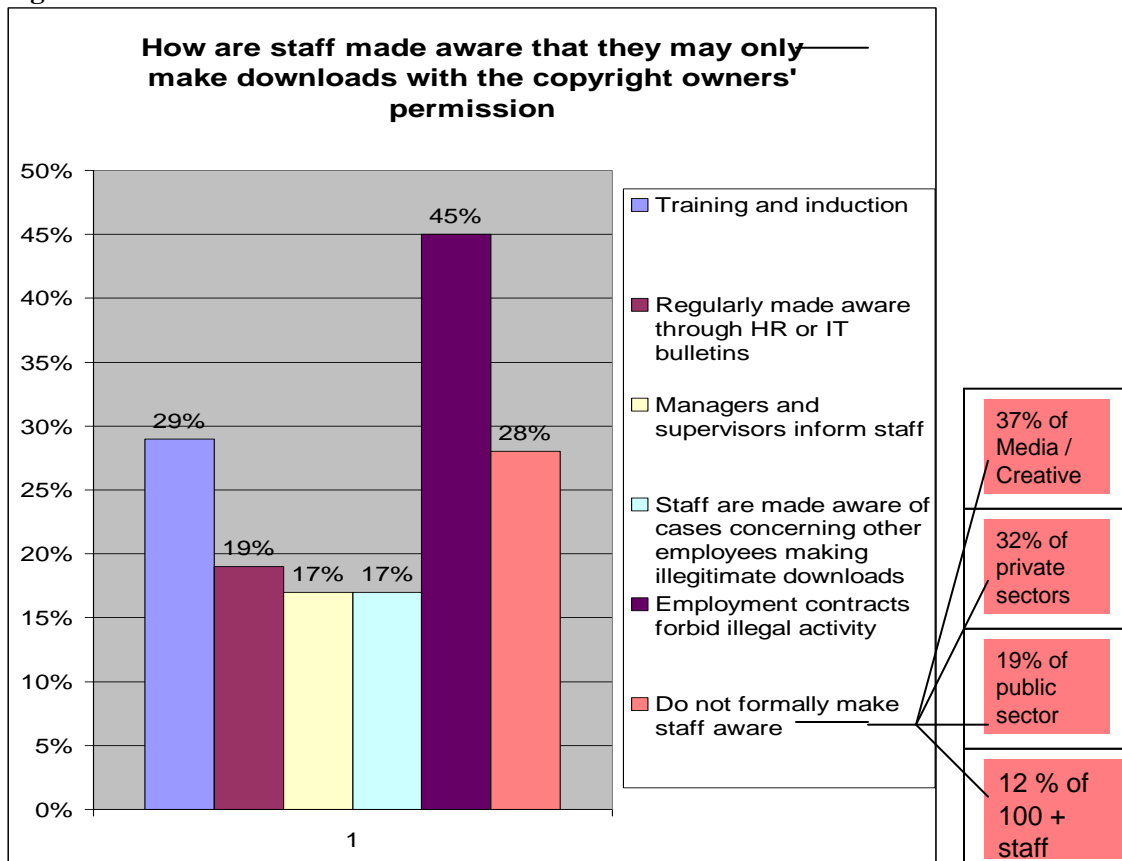
Conclusion: Different business types vary with regard to permitting staff to download and file-share copyright materials. There are also generational and hierarchical divides in awareness of downloading and file-sharing activity within the workplace.

Question 11: Which, if any, of the following does your organisation do to make its employees aware that they may only download copyright material (e.g. software, films/TV programmes, music etc) with the copyright owners' permission – i.e. they must only make legitimate downloads?

1. *Made aware during their training and induction that they must only make legitimate downloads*
2. *Regularly made aware through HR or IT bulletins that they must only make legitimate downloads*
3. *We ask managers and supervisors to tell their staff that they must only make legitimate downloads*
4. *If a member of staff is found to have made illegitimate downloads this is communicated to all other members of staff as a reminder that this activity is not allowed*
5. *Our employment contracts state that any illegal activity on the premises or using the organisation's equipment for illegal purposes is a disciplinary offence*
6. *We do not formally make staff aware that they must only make legitimate downloads*

More than a quarter (28%) of organisations do not formally make staff aware that they must only make legitimate downloads. This is more evident in smaller businesses of less than 50 employees. But even among large organisations (more than 100 employees) 12% do not have any formal procedures in place to make staff aware that they must only download copyright material with the copyright owners' permission (see fig. 17 below).

Fig 17



37% of businesses in the Media and Creative sector (the business sector in which downloading and file-sharing by employees is most likely to be permitted) do not have any formal procedures in place.

There is a significant difference in attitudes to downloading and file-sharing between private and public sector organisations: compared to an average across all organisations of 28%, only 19% of

public sector organisations admit that they do not formally make staff aware that they must only make legitimate downloads whilst 32% of private sector businesses state that they do not make staff aware of this.

Conclusion: Over a quarter of all organisations are not making their employees' aware that they may only download copyright material (e.g. software, films/TV programmes, music etc) with the copyright owners' permission

Question 12: How often, if at all does your organisation carry out internal checks to ensure that all the business software used by its employees are properly licensed – for example that licences are up to date; that software has been purchased through reputable channels; that the number of users per licence has not been exceeded; that illicit copies of business software are not in use?

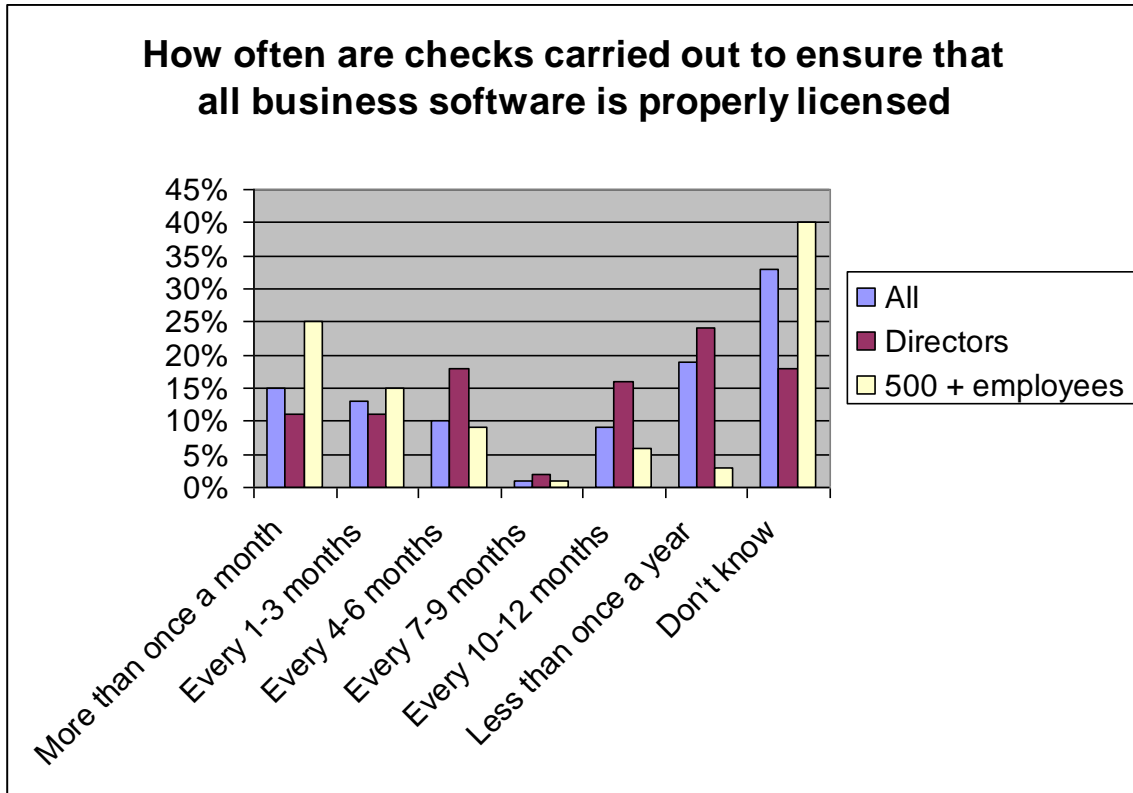
- 1. More often than once a month***
- 2. every 1 -3 months***
- 3. every 4 - 6 months***
- 4. every 7 – 9 months***
- 5. 10 – 12 months***
- 6. Less often than once a year***
- 7. Don't know***

19% of all respondents stated that their organisation carried out internal checks less than once a year to ensure that all business software was properly licensed and 33% of those surveyed did not know how often or if their organisation carried out these checks. This means that just over half of all those surveyed were not in touch with whether their business software was fully licensed (see fig 18 below).

Efficiency in this area was best amongst larger organisations: 25% of organisations with 500+ employees reported that they check licences more than once a month. However, even in organisations of this size, 40% of respondents reported that they did not know whether or how often licences were checked.

24% of directors across organisations of all sizes stated that their organisations carried out checks on the legitimacy of business software less than once a year and 18% of directors surveyed said that they did not know whether or how often licences were checked.

Fig 18:



Conclusion: Almost 1 in 5 directors are not taking responsibility for the legitimacy of software used within their business

Question 13: To what extent do you agree or disagree with the following?

1. *I would not allow someone from outside our organisation to sell counterfeit goods on my premises.*
2. *I would not prevent employees/colleges buying counterfeit or pirated goods at work.*
3. *I do not personally believe there is anything wrong in selling counterfeit or pirated goods.*
4. *I would not prevent employees/colleagues selling counterfeit or pirated goods at work*
5. *If it doesn't disrupt work, I don't mind what goes on.*

When respondents were asked about their own personal attitude towards counterfeiting and piracy, 78% of all respondents agree that they would not allow someone from outside their organisation to sell counterfeit goods on the premises; 7% neither agree nor disagree; 15% would allow this to take place. People in the age group 18 - 34 are more ambivalent to this issue - 17% neither agree nor disagree. This corresponds with the consumer surveys by IPTOC and Ipsos-Mori both of which found that purchase of counterfeit DVDs is most common among this demographic.

When it comes to the statement 'I would not prevent employees/colleagues BUYING counterfeit goods at work', 14% agree with this statement; 17% neither agree nor disagree; and 69% disagree (i.e. they would prevent employees/colleagues buying counterfeits at work).

It is interesting that when it comes to selling counterfeit or pirate goods, the respondents are less accepting of this activity: only 3% agree to the statement 'I would not prevent employees/colleagues SELLING counterfeit or pirated goods at work.' There is still a high degree of ambivalence - 11% neither agree nor disagree with the statement and 81% disagree (i.e. they would prevent this activity).

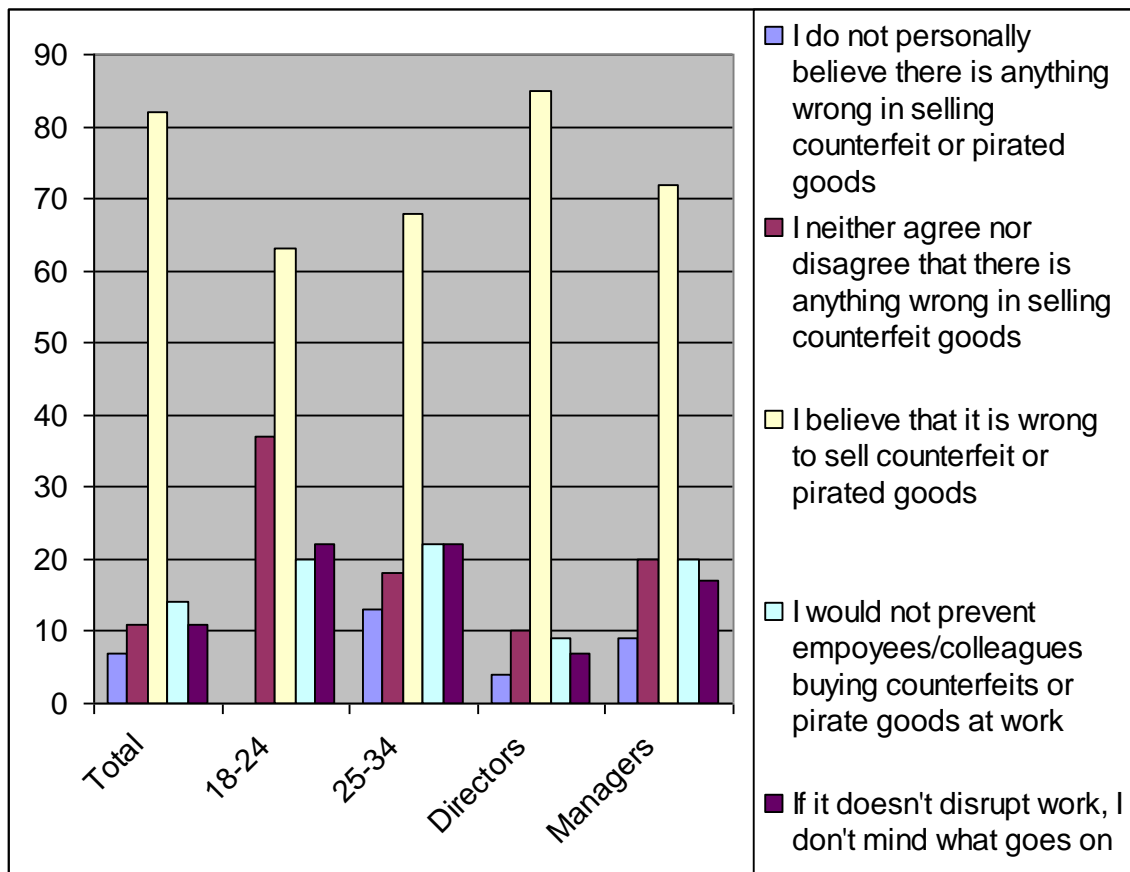
In terms of personal attitudes, in response to the statement 'I do not personally believe there is anything wrong in selling counterfeit or pirated goods', 7% of respondents surveyed agree with this statement; 11% neither agree nor disagree; and 82% disagree.

It is notable that amongst respondents in the 18-24 category, there is a much greater ambivalence - 37% state that they don't have a view on whether there is anything wrong in selling counterfeit or pirate goods and only 63% of respondents in this age group (compared to 82% of all respondents) disagree with the statement 'I do not believe there is anything wrong in selling counterfeit or pirated goods.'

11% of all respondents agreed with the statement 'If it doesn't disrupt work, I don't mind what goes on' yet in the age groups 18-24 and 25-34, 22% of executives agreed with this statement. With regard to how different managerial levels reacted to this statement, 17% of managers agreed with this statement compared to 9% of Directors.

Fig 19:

[NB: in the graph below 'Total' = all 1009 respondents]



Conclusion: When it comes to employers' personal attitudes to counterfeiting and piracy, generational and hierarchical divides once again emerge

Question 14: Which, if any, of the following best describe why you would not prevent employees/colleagues BUYING counterfeit or pirated goods at work and also SELLING counterfeit or pirated goods at work.

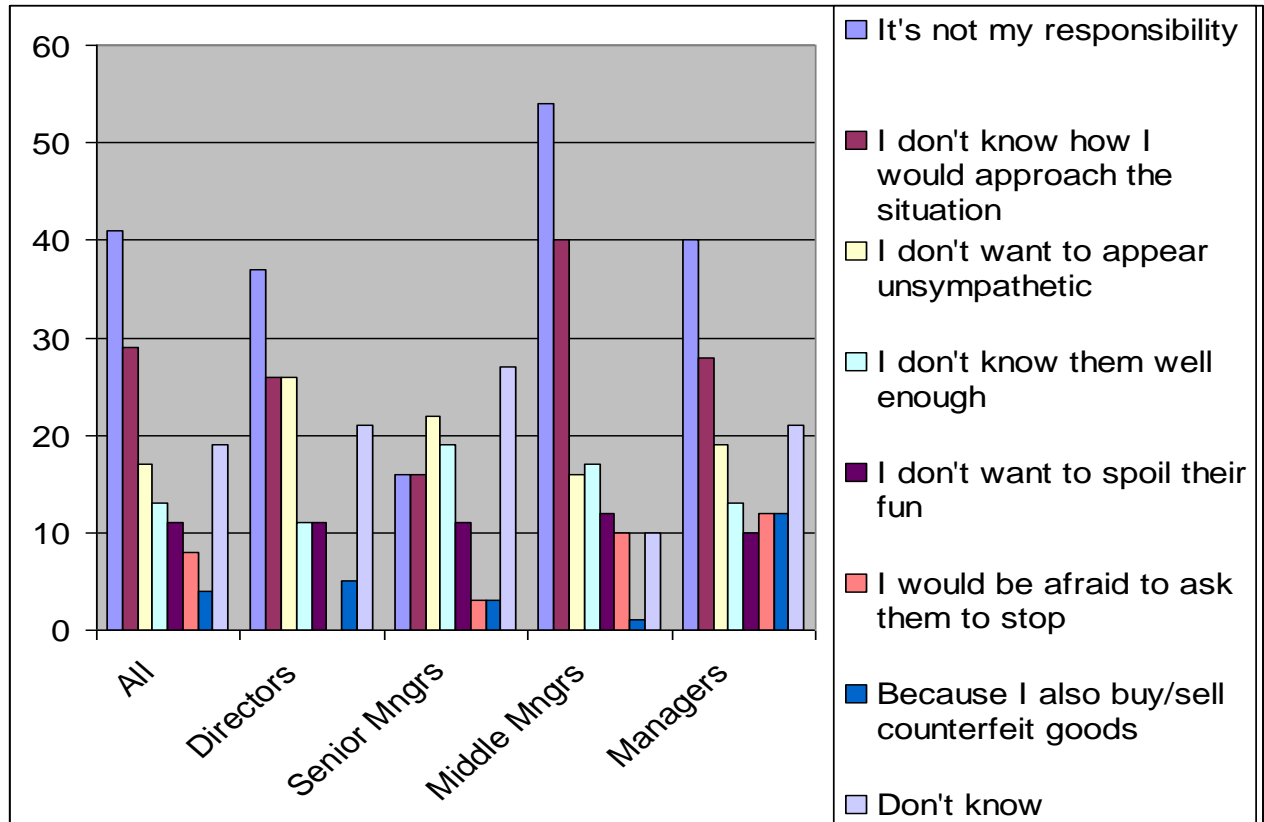
- 1. It's not my responsibility**
- 2. I do not want to appear to spoil people's fun**
- 3. I do not want to appear unsympathetic to people earning a bit of extra money/saving money**
- 4. I would be afraid to ask them not to**
- 5. I don't feel I know them well enough to ask them not to**
- 6. I don't know how I would approach the situation**
- 7. Because I also buy/sell counterfeit or pirated goods**
- 8. Don't know**

When we asked those people who had stated that they would not prevent an employee or colleague buying counterfeits at work, why this was the case, it appears that at all levels except senior managers, the strongest reason given was 'because it's not my responsibility': managers and middle managers presumably think it's an issue for someone above them; owners/directors appear to believe it's for someone below them to sort out. For senior managers, the strongest motivator for them in not preventing this activity was that they do not want to appear unsympathetic to people earning a bit of money or saving money. (See Fig. 20 below).

Conclusion: The buck is being passed upwards and downwards. At almost every management/directorial level, individuals felt 'it was not their responsibility' to prevent an employee or colleague from buying counterfeit or pirate goods at work
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Fig 20:

Base: all who would not prevent colleagues/employees buying counterfeit goods at work = 313 people]



Question 15: Which of the following places, if any, would you go to get more information and assistance on your organisation's rights and responsibilities with regard to copyright and trademark legislation?

1. *Our organisation's legal advisers*
2. *The UK Intellectual Property Office (Formerly The Patent Office)*
3. *Local trading standards department*
4. *Other source (please name)*
5. *Don't know*

99% of the respondents stated that they would turn to the internet for information and advice and an equal number would go to their HR department; a significant number (45%) would go to trading standards for assistance; 41% would turn to their own in-house legal advisers and 27% would go to the UK-IPO.

Question 16: Which of the following would you find useful to improve understanding of intellectual property within your organisation?

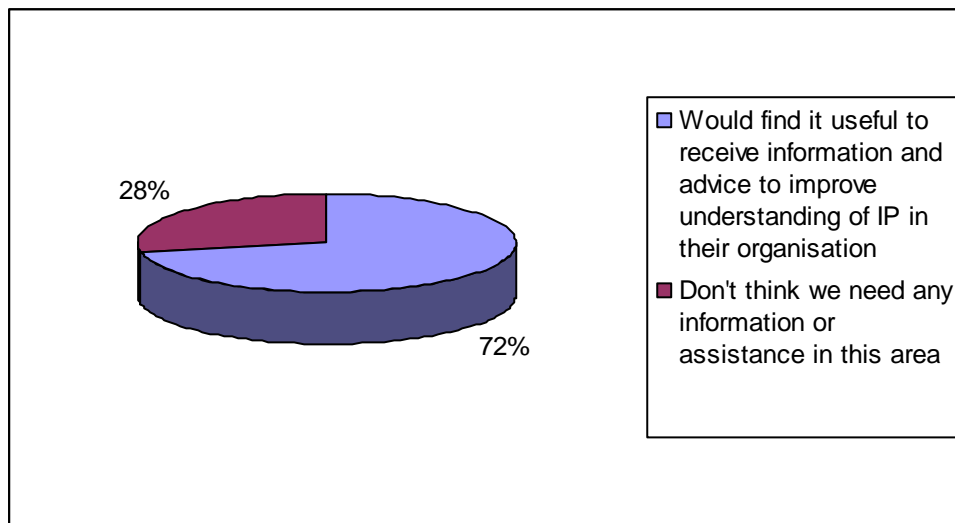
1. *A printed information pack*
2. *Online information (an independent website)*
3. *Posters to display within your organisation*
4. *A document or article that you could use on your organisation's intranet*
5. *Assistance with wording that can be incorporated within employment contracts – informing the employee about intellectual property*

6. *Step-by-step guide for an organisation to assist it in monitoring that intellectual property rights are being protected.*
7. *Assistance in drafting a corporate policy statement to prevent the sale of counterfeit or pirate goods in the workplace.*
8. *Other types of assistance in this area (please indicate)*
9. *I don't think we need any information or assistance in this area.*

Conclusion: The majority of all respondents stated that they would welcome advice and assistance on this issue; 28% stated that they did not need any assistance or information in this area (see fig 21 below).

Among smaller businesses, 47% of sole traders and 36% of businesses employing less than 10 people stated that they 'don't need information or assistance in this area'

Fig 21:



The resource that all respondents consider would be the most useful, to improve understanding of IP within their organisations, is an **independent website** (38% of respondents would find this useful).

Other types of resource that were considered useful were **printed information packs** (31% of all respondents); **posters** for display in the workplace were rated highly by middle managers (37%); **a document for use on an organisation's intranet** was favoured by 34% of managers; 32% of directors were keen on **a step-by-step guide** to assist in monitoring that IP is being protected in the workplace; 34% of directors would find it useful to receive **wording relating to IP protection to incorporate into employment contracts**.

Assistance with drafting a **corporate policy statement** to prevent the sale of counterfeit goods in the workplace was less popular across the board, with only 15% of all respondents stating that this would be useful. However, 26% of senior managers stated that they would find this helpful – perhaps a reflection of the fact that this is the only management group that did not claim 'it's not my responsibility' to prevent employees and colleagues selling counterfeit goods at work and are, therefore, more open to direct assistance in this way.

4. Enforcement: Key Findings

4.1. Employees selling to colleagues at work

Twenty seven trading standards professionals have provided information on their experiences of tackling IP crime in the workplace.

In complaints regarding a member of staff selling counterfeit or pirated goods at work, a wide range of organisations emerged for which complaints had been investigated. The following were all mentioned several times by different respondents: courier companies and post office sorting depots (6 cases); local authority departments and their contractors (8 cases); warehouse and distribution centres (3 cases), offices (5 cases), factories/manufacturers (2). There were also single instances mentioned of a retail outlet, school, hospital, building sites.

By far the most common product type that emerged in these investigations was DVDs (15 cases). Music, clothing/accessories and computer games were each mentioned in four cases and there was one instance of a member of staff selling business software.

Products were commonly found to be ‘advertised’ via word of mouth and circulation of lists. One TSO reported an instance of counterfeit items advertised on the council’s intranet.

In most cases (12), information came to trading standards via tip-offs from ‘disgruntled colleagues’ at work. Three companies (including two courier companies) contacted the TS department direct. In cases involving local authority employees, trading standards generally became aware of the seller’s activities because they were quite blatant.

In 15 cases, trading standards pursued the complaint by contacting the organisation’s management in the first instance. In seven of these cases, trading standards then proceeded to obtain evidence including test purchasing, searching lockers, vehicles and home addresses. In the remaining eight cases, no further action was taken by trading standards for a number of reasons, either because it was felt better to leave it to the organisation’s management to deal with (five cases) or due to lack of evidence to support the allegation.

In two cases following a tip-off, trading standards pursued an investigation without going through the organisation where the individual was employed.

Outcomes: two sellers were cautioned. One case is still ongoing.

Four cases proceeded to successful prosecutions.

In the remaining cases, any further action was left to the employer. Trading standards were aware that in three cases, the seller was dismissed by the employer.

4.2. External people selling on business premises

Of the TSOs surveyed most of them had come across cases of ‘external’ people selling goods in business premises primarily sales of DVDs in pubs by itinerant street traders. There were also several instances of street traders going door-to-door round industrial parks.

These activities were reported as being difficult to deal with due to language difficulties and ‘no fixed abode’ so most respondents reported that all they could do was to ‘disrupt’ activity.

There is a sense of trading standards being over-whelmed by this problem. Some of the comments were:

“It's like finding a needle in a hay-stack. All you can really do is disrupt their activity. Limited resources make it difficult”.

“Follow-up is difficult as it is hard to communicate with the sellers. Resourcing makes it hard to keep on top.”

“It's difficult to get the message across to consumers because there's such a high demand - people in this area don't have much money.”

“There's too much work in the department to do anything more than just react to the situation and move people on.”

“Language makes it difficult. Responding to calls from outlying areas is difficult. By the time they get there, the traders may have moved on.”

“Street trades, with backpacks of DVDs, turn up on Friday lunchtime when they know people have just been paid, usually at bookies and cafes with the knowledge of the owner.”

However, there were also several instances reported of trading standards taking a proactive approach to tackle the problem, often in joint ventures with police.

“We're working jointly with police on press and publicity - doing a joint article in our newsletter which goes to all licensees. Have sent police a pile of FACT jelly fish posters. Police are doing a specific campaign visiting pubs to advise them of problem and who they should call.”

“Pubs and traders will often report as they are sick of the sellers coming round. We also receive complaints from companies on business parks. One complaint from a factory boss related to health and safety as he was concerned about sellers wandering into sites where there is dangerous plant and equipment.”

“If we get a report of a street trader going into a pub in the town centre, we get on to Town Centre Management to locate them on CCTV and then we can get after them.”

“We have raised the issue at local 'Pub Watch' meetings to make landlords aware that they cannot turn a blind eye to this issue and that they should contact us for assistance.”

“We've been onto industrial parks to make companies aware that when the traders turn up, they should ring us, on an emergency number, and we'll get down there. We now get regular calls from them.”

“We've started briefing CSOs to look out for sales of these products as they're close to the community and know what's going on. We've had some good intelligence which has led to results.”

“We are using three adverts consecutively running up to Christmas. One is aimed at advising people not to buy fakes, and one is aimed at warning people not sell at home or the workplace. The third is a more serious enforcement message and also encourages people to contact us with information.”

4.3 Information and Communication Materials for Enforcement

There was strong support for a guide book for trading standards, which would contain notes on the law and also examples of best practice and case studies.

“We would find a guide book useful particularly notes on Magistrates' views and how to persuade Magistrates to issue warrants. We've found that if the source is a tip-off, the information is generally accurate and a warrant should be issued.”

“Something similar to the FACT guide to copyright enforcement would be good.”

There was also support for information packs for businesses, for use when trading standards receive a complaint and to send to businesses to make them aware.

“Something to make managers aware that it's not just a 'bit dodgy'.”

“Something targeted at managers would be helpful.”

“Yes - companies would benefit from education.”

“It would be useful - could be used as a record that a company has been made aware of the issue. I would like it to be widespread not just where there is a complaint. Especially for certain types of business – e.g. distribution centres, where there is a lot of movement of people and goods.”

All the TSOs surveyed agreed that posters for businesses to display within the workplace would be useful.

“Would be good to get posters into schools and libraries. Not sure whether businesses would use them - probably half would and half wouldn't.”

“Posters are a good way for businesses of getting the message across without pointing the finger.”

“Yes - Industry Trust/FACT posters are useful.”

“Currently using the Industry Trust / FACT posters with pubs.”

“Yes, posters are good - we've used the Industry Trust / FACT 'jelly fish' poster which is a good message about crime.”

“We are sending out the Industry Trust for IP Awareness's posters to local businesses to be displayed in staff canteens.”

Other materials that TSOs felt would be useful were: wording for businesses to include in employment contracts; IP policy statements; step-by-step guide to protecting IP assets; articles for business newsletters; wording for intranet sites and 'buy-sell' intranets.

“Website would be very useful - a simple, easy to follow collation of what all the various organisations say.”

“Would like to find a way for businesses to contact TS proactively and be comfortable in doing so. One case involved the sale of counterfeit clothing which the company tried to deal with internally. We’d have liked to have been involved earlier.”

“Important to get the message through to Managers. In one of our cases, the Manager was aware of it, knew it was wrong but chose to turn a blind eye to it.”

“Would support a friendly letter to businesses and pubs about 'aiding and abetting'.”

“Writing articles for staff newsletters is a proactive way of getting the message through..”

“Try to get information into schools so that younger people are aware of the quality of goods.”

5. Potential Actions

Discussion Point 1: Businesses need to be made more aware of what is happening in their workplaces.

At the very start of the survey among private and public sector organisations, we saw a gap between what respondents stated about the need to protect IP assets and the contrary lack of action within their organisations to protect their own assets. This is not to say that individuals, of management level and above, within organisations are being deliberately disingenuous but rather that they may be taking a rose-tinted view of what is happening in their workplace.

This certainly appears to be the case for those higher up in an organisation; whereas managers and younger respondents, who are closer to the 'shop-floor', appear to have a greater awareness of what is going on.

Potential Action

The results of this survey should be made public as a 'wake-up call' to businesses. The publication of the report should be backed by independent, authoritative body(ies) including the IP Crime Group and the Trading Standards Institute.

Ministerial 'endorsement' of the published report could add weight so that the issue is taken seriously.

Publication of the report should be supported by a launch event and a national media campaign to ensure visibility across all industry sectors with specific targeted campaigns aimed at those sectors where issues have been highlighted – e.g. organisations in creative and media services, education etc.

Industry groups for junior business people should also be targeted e.g. Junior Chamber of Commerce.

Regional business groups, e.g. Chambers of Trade, local pub watch organisations etc should receive copies of the report and encouragement to discuss it with local members and trading standards.

A press release should be targeted at journals/websites read by business executives, HR managers, company secretaries.

To raise awareness of the report and the availability of resources (see below) advertisement(s) should be placed in key HR and company secretary trade publications and websites.

Timing of the publication and associated PR activities should be considered carefully as the current economic crisis means that media and business attention are currently focused in another direction.

Discussion Point 2: A heavy-handed approach is not the answer

The survey shows us that businesses do not generally approach trading standards for assistance in this area. Only a small number of cases are reported directly by businesses; most seek to resolve issues in-house.

The introduction of new legislation or anything that looks like ‘more red-tape’ is unlikely to be embraced by businesses, particularly SMEs and could lead to even greater reluctance to seek external assistance. Equally, an overtly aggressive approach could easily alienate rather than encourage businesses in this area.

Potential Action

The message, at a national level from the IP Crime Group and at a local level from trading standards, should be helpful, supportive and educative. Trading standards officers report that many local businesses and traders are fed-up with itinerant street traders selling DVDs but they put up with them. Given encouragement to call the local TSD, many will do so. The question then arises whether trading standards departments have the resources to cope with increased calls for activity in this difficult area?

With regard to employees and external people selling counterfeits in the workplace and downloading/file-sharing, messaging to directors and managers should focus on the fact that this activity can be a distraction to staff, exposes the organisation to risk from viruses etc, and also introduces a culture of dishonesty which can undermine the probity and security of the business.

The message should be supported by the availability of resources for businesses to help them make sure their employees are aware that IP infringement is not allowed.

Discussion Point 3: Many business people are not taking responsibility?

The survey clearly showed that at most levels, business people convince themselves that this ‘is not their responsibility’. To shake them out of this easy delegation of responsibility, the law needs to be clearly explained.

Potential Action

Clear statements on fiduciary duties, civil liability in tort, aiding and abetting, as well as copyright and trademark legislation, need to be presented with the publication of the report or links within it.

Discussion Point 4: Information and assistance for employers is required

72% of businesses would welcome assistance and support in this area.

On publication of the report, it is important that it does not come across as simply a litany of things that businesses are doing wrong with no practical and immediate support.

The following should therefore be considered for introduction quickly:

Intranet Notice

Intranets are widely established as internal channels of communication and marketplaces for employees to buy and sell goods. A no-cost, quick-fix for businesses would be to offer them a graphic advertisement which they can display on their intranet ‘classified ads’ page. In a friendly tone, this would make it clear that selling counterfeit or pirated goods is not acceptable. It would act not just as a warning to intranet traders but to anyone considering buying or selling goods through other means at work and also to downloaders and file-sharers.

The intranet advertisement could be launched when the report’s findings are made public so that it is clear that solutions can be quickly and easily implemented.

Online resource for businesses

Business respondents and trading standards respondents both stated clearly that an independent online resource would be helpful. One definitive source of information and advice, across all product types and sector interests, should be established, under the IP Crime Group, which will assist businesses, consumers and enforcement agencies.

The Industry Trust for IP Awareness' 'Copyright Clinic' is a useful tool for consumers and something similar, although business-facing, would greatly assist employers' understanding in this area.

Information pack (or IP Toolkit)

Businesses and trading standards responded positively to the idea of a printed information pack – trading standards thought this would be particularly helpful for managers.

It should be available from the IP Crime Group website, UK-IPO, Alliance Against IP Theft members' websites and local authority/trading standards websites and also in printed form for use at business events organised or supported by UK-IPO. It should also be available for trading standards to provide to businesses when faced with an internal issue.

The IP Toolkit should also include: a step-by-step guide to monitoring IP in the workplace; wording to include in employment contracts; a corporate policy statement on dealing with IP infringement.

Posters

Posters for display in the workplace were rated particularly highly by middle managers. Several trading standards officers also commented that posters are a subtle way of letting people at work know that buying and selling counterfeit and pirated products is not allowed – without pointing the finger at anyone.

Several of the trading standards officers surveyed said that they currently use the FACT/Industry Trust for IP Awareness's copyright theft posters in this way.

Discussion Point 5: Materials for Enforcement

In addition to the material noted above, which will also be available for trading standards to provide to businesses, the following should also be actioned to assist trading standards in this area:

A guidebook, similar to that produced for trading standards professionals on S107A, which includes notes on the law, case studies, best practice and contact details.

The report should be mailed with a press release to all the key enforcement journals with a view to feature articles to raise awareness of the resources available.

A sample Information Toolkit and posters should be mailed to heads of service in order to prompt awareness (this approach has been working well for the Industry Trust for IP Awareness posters).

Patricia Lennon
patricialennon1@btinternet.com
Tel: 01943 816292
December 2008

Appendix A: Consumer Background

Key facts from the following consumer studies

'Digital and Physical Piracy in GB' (Ipsos-Mori 2007)

'Fake Nation: A Study into an Everyday Crime' (IPTOC 2005)

'Clothing and Footwear Counterfeiting' (Ledbury / AAIPT, 2007)

COUNTERFEIT DVDS

- 23% of people have seen or been offered a pirate DVD in the past 12 months
- 9% have bought a counterfeit DVD
- Profile of buyer: male, aged 15-34, with children under 6
- Of those people who had bought counterfeit film/TV products in the previous 12 months, 13% had bought such products at work.

Source: Ipsos-Mori: Digital and Physical Piracy in GB. Nov 2007

HOME COPIED DVDS

- 3% of people have bought home copied DVDs in past 12 months
- Profile: Male, under 50, C1-C2, with children.
- Of people who have bought in past 12 months, 19% have bought at work (2nd only to at someone else's home in top 5 locations)

Source: Ipsos-Mori: Digital and Physical Piracy in GB. Nov 2007

DOWNLOADING AND BURNING

- 7% have downloaded unofficial films or TV series in past 12 months
- Profile: male under 34
- They 'burn' an average of 7 films per year
- Downloaded and home-copied from friends and family are the source of around half of all burned DVDs

Source: Ipsos-Mori: Digital and Physical Piracy in GB. Nov 2007

- Consumers were more reluctant to accept downloaded copies as 'theft', 'wrong' or having a direct economic impact.

Source: Fake Nation, IPTOC 2005

CLOTHING AND FOOTWEAR

- 15% of people have bought fake clothing and footwear in past 12 months
- Profile 'Fake buyers are no different from the population as a whole'
- No gender difference, more likely to be under 44.
- 66% buy the majority of fakes from market stalls.

Source: Ledbury /AAIPT

SOCIAL NETWORKS

- The 'Fake Nation' survey found that 'purchase of counterfeit DVDs was claimed by focus group participants to be common amongst work, school and college networks (26% in local pubs and social clubs)
- 'The most typical site for purchase of copied music CDs was from the pub, social club etc (26%)
- Of those that purchased pirated computer games, 40% indicated that their purchases were made in local pubs and social clubs.

Source: Fake Nation, IPTOC 2005

ATTITUDES

- 'I see no harm in buying fakes as long as they aren't dangerous' – 37% agree
- 'I am against any form of product faking' – 45% agree
- 'I would be deterred from buying fakes if it was a crime like buying stolen goods is' – 71% agree

Source: Ledbury / AAIPT

APPENDIX B: QUESTIONS USED IN THE SURVEY OF UK EMPLOYERS

Survey Questions	
Carried out by	ICM
Survey Name	Intellectual Property
Dates	21 st – 4 th September
Sample	1000 Manager level and above
Methodology	Online

D4: Which, if any, of the following best describe your job position?

Include

1. Owner/proprietor
2. Managing director
3. Board level director/partner
4. Director & not board level
5. Senior management
6. Middle management
7. Management

Exclude: Close all who code:

8. Executive
9. Office worker/clerical/office junior
10. Un Skilled manual worker
11. Skilled manual worker
12. Craftsmen/tradesmen
13. Support functions (cleaner, security, guard)
14. Other

D5: Please estimate how many people work within your organisation.

1. 1
2. 2-10
3. 11-50
4. 51-100
5. 101 & 250
6. 251 & 500
7. 500+
8. 8 c b D h ' _ b c k

D6: K \] W \ ' c Z ' h \ Y ' Z c ` ` c k] b [' V Y g h ' X Y g W f] V Y g ' m c i f ' c f [U b] sector?

1. Professional/Business services
2. Catering & accommodation
3. Wholesale
4. Manufacturing
5. Health and Social care services
6. Education
7. Personal Services (i.e. hair dressing/beauty/funeral care)
8. Arts, sport and recreation
9. Agriculture, forestry and/or fishing
10. Construction
11. Mining, energy and/or utilities

12. Transport and/or distribution
13. IT and/or Telecommunications services
14. Retail, hire and/or repair
15. Media and/or creative services
16. Other
17. 8 c b Ð h ` _ b c k

D7: Is your organisation within the public sector or privately owned

1. Public sector
2. Private sector
3. 8 c b Ð h ` _ b c k

Introduction: About Intellectual Property

There are four main types of Intellectual Property (IP):

- **Copyright**, which protects material, such as literature, art, music, sound recordings, films, broadcasts, and software
- **Designs**, which protect the visual appearance or eye appeal of products;
- **Patents**, which protect the technical and functional aspects of products and processes;
- **Trade marks**, which protect signs that can distinguish individual goods and services of traders or manufactured goods from each other.

IP U` g c ` Wc j Y f g ` h f U X Y ` g Y Wf Y h g ž ` d ` U b h ` j U f] Y h] Y g ž ` [Y c [f] rights and so on.

Illegal copies of copyright material, particularly films/TV programmes, music and software are commonly referred to as illicit files, pirate, knock-off, fake or counterfeit.

Illegal copies of trade marks are often used on counterfeit or fake goods such as clothing, shoes, handbags, perfumes, car parts, pharmaceutical products, toiletries, designer goods, toys etc.

Q1. To what extent do you agree or disagree with the following statement:

Protection of intellectual property (IP) is an essential business activity. It protects investment in innovation, with income streams generated by IP rights enabling creators and investors to dedicate time and resources to new projects.

Single code

1. Strongly agree
2. Slightly agree
3. Neither agree nor disagree
4. Slightly disagree
5. Strongly disagree

Q2. Does the organisation in which you are employed carry out any of the following measures to protect its IP (intellectual property) rights? (You may tick more than one answer).

Multicode E randomize

- Registers its trade mark(s)
- Registers its patent(s)
- Training for employees to educate them about the value of IP rights and the risks and harm of infringing IP rights
- Takes action against other businesses or individual for infringement of
- None of the above (single code)

Q3. Does your organisation allow employees to advertise items for sale to colleagues through any of the following means? (You may tick more than one answer).

Multicode - randomize

8. Staff newsletter
9. Intranet
10. Posters on notice boards etc
11. Circulating lists or catalogues of goods for sale
12. Bringing in items for sale to show to work colleagues
13. (single code)
- 14.

Q4. Apart from items that your staff are engaged to sell as part of their employment with your organisation, are you aware of any of the following items being sold in the workplace by a member of staff, to other employees or customers and can you indicate if they were counterfeit or genuine items? (For each item, you may tick more than one box)

Statements: *randomize*

13. DVDs
14. Music CDs
15. Software
16. Clothes
17. Toiletries and make-up
- 18.
19. Toys
20. Tools and mechanical equipment
21. Foodstuffs
22. Alcohol
23. Cigarettes
24. Other goods (please state)

Scale: *multicode*

1. Genuine
2. Counterfeit item
- 3.
4. Not sold

Q5. Apart from authorised trade suppliers and members of staff, which of the following applies to your organisation when letting other individuals come onto the premises to sell items to your staff or customers,? (For each item, you may tick more than one box)

Single code - randomize

7. My organisation does not permit such individuals to enter its premises to sell items and I have never seen this take place.
8. My organisation does not permit such individuals to come onto its premises to sell goods but I am aware that this does sometimes take place.
9. My organisation does allow such individuals to enter its premises to sell items but I am not aware what they sell.
10. I am not sure if my organisation allows such individuals to enter its premises to sell products or not.
11. My organisation does allow such individuals to enter its premises to sell items and I am aware of what they sell
12. 8 c b Ð h ' _ b c k

ONLY ASK THOSE WHO CODE 5

Q6. Do you think the items sold on your work premises by individuals other than staff or trade suppliers are genuine or counterfeit?

13. DVDs
14. Music CDs)
15. Software
16. Clothes
17. Toiletries and make-up
18. < U b X V U [g ž ' V Y ` h g ž ' g \ c Y g ' c f ' c h \ Y f ' Ĩ X Y g] [b Y f Ð ' [c c X g ']
19. Toys
20. Tools and mechanical equipment
21. Foodstuffs
22. Alcohol
23. Cigarettes
24. Other (please state)

Scale: Multicode

1. Genuine
2. Counterfeit item
3. 8 c b Ð h ' _ b c k '] Z ' h \ Y m ' U f Y ' (Single code) Z Y] h ' c f ' [Y b i] b Y
4. Not sold (Single code)

ASK ALL

Q7. If you became aware of counterfeit or pirated products being sold within your organisation which, if any, of the following actions might you take?

Single code - randomize

5. I might buy them
6. I would take steps to make sure it was stopped
7. = ' k c i ' X b Ð h ' X c ' U b m h \] b [
8. 8 c b Ð h ' _ b c k

Q8. If a member of staff has been found selling counterfeit or pirated products within your workplace, which, if any, of the following actions did your organisation take?

Multicode - randomize

6. They were told to stop selling the items
7. A written warning was given
8. They were dismissed
9. An external enforcement agency was advised (e.g. police, trading standards, HM Revenue & Customs)
10. No action was taken (single code)

11. I am not aware that we have ever had an instance of an employee selling counterfeit or pirated material at work.

Q9. Does your organisation permit its staff to use the office network for downloading or file-sharing copyright material such as software, films/TV and music?

1. Yes
2. No
3. 8 c b Ð h ' _ b c k

Q10. Do members of staff make copies at work of downloaded copyright material for other people (e.g. make music CDs, burn movies, software or TV programmes to DVDs, photocopy printed materials, or copy photographs)?

1. Yes
2. No
3. 8 c b Ð h ' _ b c k

Q11. Which, if any, of the following does your organisation do to make its employees aware that they may only download copyright material (e.g. software, films/TV programmes, music etc) with the copyright i.e. they must only make legitimate downloads? (You may tick more than one box).

Multicode - randomize

7. Made aware during their training and induction that they must only make legitimate downloads
8. Regularly made aware through HR or IT bulletins that they must only make legitimate downloads
9. We ask managers and supervisors to tell their staff that they must only make legitimate downloads
10. If a member of staff is found to have made illegitimate downloads this is communicated to all other members of staff as a reminder that this activity is not allowed
11. Our employment contracts state that any illegal activity on the premises or offence
12. We do not formally make staff aware that they must only make legitimate downloads (single code)

Q12. How often, if at all does your organisation carry out internal checks to ensure that all the business software used by its employees are properly licensed for example that licences are up to date; that software has been purchased through reputable channels; that the number of users per licence has not been exceeded; that illicit copies of business software are not in use?

Single code

8. More often than once a month
9. every 1 -3 months
10. every 4 - 6 months
11. every 7 - 9 months
12. 10 - 12 months
13. Less often than once a year

14.8 c b Ð h ' _ b c k

Q13. To what extent do you agree or disagree with the following?

Statements: *randomize*

- 6. I would not allow someone from outside our organisation to sell counterfeit goods on my premises.
- 7. I would not prevent employees/colleges **buying** counterfeit or pirated goods at work.
- 8. I do not personally believe there is anything wrong in selling counterfeit or pirated goods.
- 9. I would not prevent employees/colleagues **selling** counterfeit or pirated goods at work

10. = Z '] h ' X c Y g b Ð h ' X] g f i d h ' k c f _ ž ' = ' X c b Ð h ' a] b X ' k \ U h ' [c Y

Scale:

- 1. Strongly agree
- 2. Slightly agree
- 3. Neither agree nor disagree
- 4. Slightly disagree
- 5. Strongly disagree

ASK ALL THOSE WHO CODE 1, 2 OR 3 AT Q13

Q14. Which, if any, of the following best describe why you

Statements

- 1. Would not prevent employees/colleges **buying** counterfeit or pirated goods at work. (ONLY SHOW IF CODED 1, 2 OR 3 FOR STATEMENT 2 AT Q13)
- 2. Would not prevent employees/colleagues **selling** counterfeit or pirated goods at work (ONLY SHOW IF CODED 1, 2 OR 3 FOR STATEMENT 4 AT Q13)

Scale: Multicode

- 9. = h Ð g ' b c h ' a m ' f Y g d c b g] V] ^] h m
- 10. = ' X c ' b c h ' k U b h ' h c ' U d d Y U f ' h c ' g d c] ^ ' d Y c d ' Y Ð g ' Z i b
- 11. I do not want to appear unsympathetic to people earning a bit of extra money/saving money
- 12. I would be afraid to ask them not to
- 13. = ' X c b Ð h ' Z Y Y ^ ' = ' _ b c k ' h \ Y a ' k Y ^ ^ ' Y b c i [\ ' h c ' U g _ ' h \ Y
- 14. = ' X c b Ð h ' _ b c k ' \ c k ' = ' k c i ' X ' U d d f c U W \ ' h \ Y ' g] h i U h] c b
- 15. Because I also buy/sell counterfeit or pirated goods
- 16. 8 c b Ð h ' _ b c k ' f l G] b [^ Y ' W c X Y £

Q15. Which of the following places, if any, would you go to get more responsibilities with regard to copyright and trademark legislation? (You may tick more than one answer).

Multicode - randomize

- 6. C i f ' c f [U b] g U h] c b Ð g ' ^ Y [U ^ ' U X j] g Y f g
- 7. The UK Intellectual Property Office (Formerly The Patent Office)
- 8. Local trading standards department

9. Other source (please name)

10. 8 c b Ð h ' _ b c k ' fl g] b [' Y ' Wc X Y Ł

Q16. Which of the following would you find useful to improve understanding of intellectual property within your organisation? (You may tick more than one answer).

Multicode - randomize

10. A printed information pack

11. Online information (an independent website)

12. Posters to display within your organisation

13. A document or article that you could use on your c f [U b] g U h] c b Ð g intranet

14. Assistance with wording that can be incorporated within employment contracts Ę informing the employee about intellectual property

15. Step-by-step guide for an organisation to assist it in monitoring that intellectual property rights are being protected.

16. Assistance in drafting a corporate policy statement to prevent the sale of counterfeit or pirate goods in the workplace.

17. Other types of assistance in this area (please indicate)

18. = ' X c b Ð h ' h \] b _ ' k Y ' b Y Y X ' U b m '] b Z c f a U h] c b ' c f ' U g g] (single code)

Demographics:

D1: Age

D2: Gender

D3: Region (government)

D4: Management level

D5: Company size

D6: Company type Ę list of company sectors

D7: Public or private company

APPENDIX C

IP CRIME IN THE WORKPLACE ENFORCEMENT SURVEY: QUESTIONS TO COVER IN TELEPHONE INTERVIEWS			
SECTION 1: SALES OF COUNTERFEITS BY EMPLOYEES TO THEIR COLLEAGUES	Case 1	Case 2	Case 3
Have you had any involvement in cases of staff selling to colleagues at work?			
What kind of workplace?			
What was being sold?			
How did the seller advertise the goods?			
How did you hear about it?			
Did you contact the employer - if so, in what way and who did you deal with?			
Did you obtain evidence - if so how?			
Did you deal directly with the person selling?			
What was the outcome of this case?			
Was it an easy process or did you face any particular difficulties?			

Has there been any further follow-up with this organisation?			
SECTION 2: SALES OF COUNTERFEITS BY EXTERNAL PEOPLE IN BUSINESS PREMISES	Case 1	Case 2	Case 3
Have you had experience of 'external' people going into business premises to sell counterfeit or pirated goods?			
What kind of place			
What kind of person was selling			
Who were they selling to			
How were they advertising their goods			
How did you hear about it			
How did you follow up the complaint			
Who did you deal with?			
Was it an easy process - any particular difficulties?			
Have you carried out any follow-up			

Whats the situation like now?			
SECTION 3 INFORMATION AND ASSISTANCE			
Would you find the following useful			
Guide book for TS on law and best practice			
Info pack for companies			
Posters for companies			
Wording for employment contracts			
Step by Step guide for monitoring IP rights			
Notes on a corporate policy statement			
Other assistance			
Don't think we would use any of the above			

**SECTION 4: ANY GENERAL
COMMENTS**

Please use this space to note any additional comments