### 2013

**ENFORCEMENT PROGRAM**

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<tr>
<th>INVESTIGATIONS:</th>
<th>BORDER PROTECTION:</th>
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<td>354 INVESTIGATIONS UNDERTAKEN</td>
<td>2,541 CUSTOMS INQUIRIES WERE RECEIVED FROM 65 DIFFERENT PORTS</td>
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<td>213 ADMINISTRATIVE ACTIONS TAKEN</td>
<td>721 SHIPMENTS CONTAINING COUNTERFEIT UL MARKED PRODUCTS SEIZED</td>
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<td>165 REFERRALS TO LAW ENFORCEMENT</td>
<td>26 PORTS RECEIVED TRAINING IN UL PRODUCT IDENTIFICATION</td>
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<tr>
<td>121 CRIMINAL ENFORCEMENT ACTIONS TAKEN</td>
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PROGRAM HIGHLIGHTS

OUTREACH & CAPACITY BUILDING PROGRAM

2013 International Law Enforcement IP Crime Conference
UL partnered with INTERPOL and An Garda Síochána to co-organize the 7th annual Conference which was held in Dublin, Ireland with 550 delegates representing 67 countries from nearly 230 agencies in attendance.

International IP Crime Investigators College (IIPCIC)
IIPCIC is an online educational platform designed to help users combat IP crime and is operated in partnership between UL and INTERPOL. The College successfully deployed its new Learning Management System and web portal in 2013 and fully launched 14 modules in English, French, Spanish and Arabic. 4000 students are currently enrolled in the curriculum representing nearly 300 agencies from over 100 countries.

2013 UL Brand Protection Conference
The 3rd annual Brand Protection Conference was held in Ft. Lauderdale, Florida with 170 delegates attending from 80 different public and private sector organizations including a number of key UL customers.
Anti-Counterfeiting Operations is a specialized group within the UL Legal Department. Our global efforts are led by brand protection professionals who have a diversified range of expertise coming from a wide variety of different public and private sector organizations. Our global team stands ready to work with both internal and external stakeholders to protect UL assets and to combat IP crime.

Our group protects the UL family of Marks from counterfeiting activities. We work with law enforcement to remove products bearing counterfeit UL trademarks from the stream of commerce and hold accountable those responsible for their manufacture and distribution. Our program is continually evolving and adapting best practices to combat counterfeiting activities. We also work closely with global partners including UL customers to develop and implement solutions that will stem the flow of these illegal and potentially dangerous goods.
We take strong actions against counterfeiting through our comprehensive program built upon the three pillars of enforcement, education and partnerships. We work closely with police, customs, prosecutors and regulatory agencies in order to pursue criminal, civil and administrative remedies against offenders who deal in counterfeit UL marked products. We also operate an extensive outreach and capacity building program that supports public and private sector efforts to combat global IP crime.

**WHY WE DO IT**

Over the last 20 years there has been an increase in the amount and types of products appearing in the marketplace with counterfeit marks. These potentially hazardous goods are being introduced into national distribution systems and onto the shelves of retailers in every region of the world. As a leader in product safety testing and certification UL has experienced counterfeiting firsthand. Since 1996 we have taken an aggressive stance against these illegal activities in order to protect the integrity of our marks and to help safeguard people, products and places.
Our global enforcement team is led by former law enforcement officers with significant experience in investigating and prosecuting counterfeiting offences. Our group uses a multifaceted approach for dealing with IP crime and targets all levels of the supply chain from the manufacturer to the retailer that sells the illegal goods.

Intelligence led investigations are utilized to identify counterfeiters and gather evidence that can be relied upon to support criminal, civil or administrative actions against them. We work very closely with global law enforcement agencies and support their efforts to seize products, lay charges and ultimately prosecute offenders.
Results

In 2013 investigations were undertaken in numerous regions on four different continents that were impacted by counterfeiting activities. Our team has created a very effective enforcement program and we work closely with a large number of law enforcement groups including police, customs and regulatory agencies. Without the support of these authorities we would not have been able to achieve our current level of success in identifying and disrupting counterfeiting activities and we continually work to strengthen these partnerships.

The majority of our cases originated in the United States and Greater China and our investigative team was very successful in working with law enforcement bodies in those regions. We also collaborated with our clients on a number of joint investigations and lent our expertise to support their efforts which in turn enhanced their enforcement capabilities.
Customs inquiries were received from 65 different ports. 2,541 shipments containing counterfeit UL marked products were seized. 721 ports received training in UL product identification. 26.
In 2013 our group continued to work closely with various global customs agencies and completed a large number of product authentication requests to identify counterfeit UL marked products.

Over 2500 verification requests were received from customs agencies on four continents, with the most inquiries originating from the United States and China. Additionally, our team provided UL Mark authentication training to law enforcement agencies worldwide.

Our team worked very closely with both U.S. Customs and Border Protection (USCBP) and the General Administration of Customs – People’s Republic of China (China Customs) to identify and prevent counterfeit UL marked products from entering the stream of commerce. These agencies prevented hundreds of thousands of potentially hazardous items from reaching the public. Additionally, we gleaned valuable intelligence from these shipments that assisted us in targeting the offenders and supporting global enforcement actions.

During the last year we focused on building a strong relationship with China Customs and have developed an effective strategy to work with them to quickly identify and seize counterfeit products before they are exported. As a result of our strong partnership with both USCBP and China Customs we were invited to participate in a joint 30-day enforcement project with both agencies. This initiative targeted electronic products and we received over 1,500 inquiries from China Customs alone that resulted in 265 shipments of counterfeit UL marked items being seized.

Additionally, our partnership with USCBP remains very strong and we work closely together to identify products bearing counterfeit UL Marks and remove them from the stream of commerce. In addition to our port enforcement activities we also provided UL Mark authentication training to hundreds of customs officers worldwide.
Los Angeles County was selected for a special enforcement project targeting a counterfeit version of one of our client’s smart phone adaptors. These types of counterfeit adaptors were linked to user injuries.

Our team completed a market survey of the Los Angeles area for potential enforcement targets, made sample purchases, prepared intelligence reports and forwarded those to regional police agencies. The Los Angeles Police Department (LAPD) and the FBI led a one-day enforcement action against six locations identified as selling counterfeit UL marked products. Our team assisted these agencies on site with identifying the offending items. In addition, ABC News covered the day’s activities as part of a report of counterfeit products which aired nationally in the United States and highlighted the UL anti-countering program. A large number of counterfeit products were seized and additional intelligence on suppliers was gathered during the investigation. Additional case referrals were made to the Los Angeles County Sheriff’s Department (LASD) as a result of our follow up investigations.

Based on additional intelligence derived from the initial project the LASD, with assistance from Homeland Security Investigations, executed a series of 14 takedowns culminating in the seizure of thousands of counterfeit UL marked products. Additional intelligence was gathered from these actions which resulted in the identification and raiding of unauthorized manufacturing locations in China.
CHINA

The Quality and Technical Supervision Bureau (QTSB) of Guangzhou Municipal received an anonymous complaint in regards to a company that was accused of manufacturing counterfeit UL marked adaptors.

The QTSB carried out an inspection of the suspect location and seized 142,000 counterfeit adaptors. We partnered with the QTSB throughout the investigation. The value of the seizure was RMB 21,158,000 ($3.5 Million USD) which surpassed the threshold for a criminal investigation under Chinese law.

Due to the huge volume and merchandise values the QTSB transferred the case to the Guangzhou Public Security Bureau for further investigation. Our team supported the criminal investigation which resulted in the conviction of the responsible party for counterfeiting with a prison term of 2 years and a fine of RMB 150,000 ($24,000 USD).
UL’s Outreach & Capacity Building team was established to design and undertake initiatives that will strengthen public and private sector capabilities to combat counterfeiting and piracy crimes.

This innovative program partners global law enforcement agencies with private groups to deliver cutting edge anti-counterfeiting initiatives such as the International Law Enforcement IP Crime Conference, the International IP Crime Investigators College and the UL IP Crime Joint Action Group.

Multi-agency and multi-jurisdictional training and enforcement efforts are critical components for defeating transnational organized IP crime. Working in isolation and without global cooperation will not be successful against these types of adaptive and widespread criminal activities. As such, partnerships are essential for supporting global anti-counterfeiting efforts and our team devotes significant resources and efforts into building effective long term relationships. We greatly value our partnerships and we continually work to maintain and improve them, as well as develop new relationships that can help more effectively combat counterfeiting.
2013 INTERNATIONAL LAW ENFORCEMENT IP CRIME CONFERENCE

INTERPOL and UL organize an annual conference which provides a unique forum for delegates to learn about and discuss operational best practices, strategies and tactics in the fight against transnational organized intellectual property crime.

The conference was developed to focus on operational methodologies, bringing international police, customs, prosecutors as well as regulatory agencies, rights holders and service providers together in one place. This opportunity is rarely found at other conferences where the emphasis is generally on high-level strategy rather than grassroots and practical operational solutions.

Results
The 8th annual Conference, held in Dublin with the An Garda Síochána, had the highest attendance in our event’s history. Over 550 delegates attended from 67 countries representing some 230 different public and private sector organizations. The 2013 theme was Borderless Enforcement – Empowering Those Who Combat Transnational Organized Crime through Training. The major benefit of this conference is the ability for delegates, including many UL clients, to network and learn from each other within small group operational workshops and interactive round table sessions.
PARTNERSHIP BETWEEN UL AND INTERPOL

- E-LEARNING MODULES AVAILABLE IN ENGLISH, SPANISH, FRENCH AND ARABIC
- 4000 STUDENTS CURRENTLY ENROLLED
- 300 AGENCIES
- 100 COUNTRIES REPRESENTED
INTERNATIONAL IP CRIME INVESTIGATORS COLLEGE (IIPCIC)

The International IP Crime Investigators College (IIPCIC) is a fully interactive on-line IP crime training facility which equips global law enforcement, regulatory authority representatives and private sector investigators with the skills necessary to combat current and emerging threats from IP crime.

The UL-INTERPOL certificated course sets an international standard of competency for IP crime investigation. College materials are currently available in Arabic, English, French and Spanish, with Mandarin and Russian launching in 2014. Graduates are able to share experiences and request the assistance of colleagues in other countries through the IIPCIC network.

Results

2013 was an important year for the College as it positioned itself as a world leader in providing cutting edge multidisciplinary training. The vibrant public/private partnership between UL and INTERPOL has been very effective with 4000+ students representing 300 agencies from 100 countries currently enrolled.

The College launched its first two private sector eLearning modules in product identification for UL and Schneider Electric. These modules augment the basic 14-module training program and additional training tools are being planned in the future. Further enhancements to the College included a new Learning Management System, interactive web platform and dedicated staffing that will manage day-to-day operations and future growth and drive towards meeting our educational objectives.
SCHNEIDER ELECTRIC CASE STUDY

Schneider Electric is aware of the threat that counterfeit products pose to its brand, customer satisfaction and trust. As a result, Schneider Electric and UL partnered to create an eLearning module for international customs officials. The training course is focused on identifying counterfeit Uninterrupted Power Supply (UPS) products and who to contact within Schneider if counterfeits are suspected.

The Challenge
Schneider was experiencing a large number of APC brand UPS products being counterfeited in Asia, Africa and the Middle East. It had limited methods to reach customs officials globally with a consistent message and also needed to train their investigators and attorneys. Schneider required an efficient method to educate a number of officers from different regions, the ability to update materials when necessary and useful leave-behind materials after onsite training courses.

UL's Response
UL worked with Schneider to develop and launch a customized anti-counterfeiting eLearning course that would be housed on the International IP Crime Investigators College site and be made available free of charge to a targeted group of law enforcement officials.

Outcome
Together, Schneider and UL created the eLearning module focused on identifying counterfeit UPS products and this solution solved Schneider’s challenge. Over 170 officers from 52 agencies representing 30 countries have taken and completed the Schneider course to date.
UL BRAND PROTECTION CONFERENCE

Our annual UL Brand Protection Conference was launched as part of our public safety mission. It acts as a value added service to our clients and provides them, and other rights holders, the opportunity to meet and network with law enforcement and IP crime experts.

These experts share operational methodologies, best practices and case studies that highlight the latest developments in brand protection solutions, technologies and strategies. This conference provides participants with training, tools and networking opportunities that helps them to establish or enhance their own brand protection programs.

Results
The Fort Lauderdale conference was attended by approximately 170 delegates, including a number of key UL customers, who participated in learning sessions taught by a variety of presenters from many different organizations including; INTERPOL, Europol, the U.S. National IPR Coordination Center, U.S. Customs and Border Protection, Homeland Security Investigations, U.S. Department of Justice, Los Angeles County Sherriff’s Department, Panama Customs as well as the private sector.

The two-day training forum included plenary and panel sessions, operational workshops, interactive round table sessions and a networking lounge. Additionally, rights holders had the opportunity to set up exhibition tables where they provided product identification training to law enforcement attendees.
The IP Crime Joint Action Group is a UL-led initiative that was formed after several public and private sector organizations determined there was need and value in partnering with us on joint enforcement and training initiatives. The group was developed as part of our public safety mandate and a value-added service to UL clients and law enforcement partners.

Public and private sector organizations spend considerable effort to prevent counterfeit products from entering the stream of commerce. However, these efforts are rarely coordinated between or amongst entities which means the overall impact is reduced. The group will ultimately provide members with enhanced brand protection and anti-counterfeiting capabilities under a stronger formalized network of like-minded organizations focused on a common goal.

Results
The group met at the UL Brand Protection Conference and the International Law Enforcement IP Crime Conference. The members formed four sub-committees representing enforcement, intelligence, training/outreach and product security. These sub-committees will assist members by sharing resources and expertise which in turn will make their individual programs stronger.

This partnership resulted in collaboration between UL and several of our clients on criminal and civil cases including the first successful IP crime prosecution in Sweden. Our team is now planning several UL-led joint training and enforcement projects in partnership with law enforcement which will directly benefit our clients.
WHERE ARE WE GOING?

During 2013 our investigations increased in quantity, scope, nature and geography. We referred more cases to law enforcement which resulted in landmark criminal sentences, successfully launched a global online training college in four languages, and organized the most successful International Law Enforcement IP Crime Conference to date, thereby increasing our international partnerships.

In 2014 we will be changing our name from Anti-Counterfeiting Operations to Global Security and Brand Protection. This reflects our group’s growing mandate and we will increase our capabilities and service offerings to ensure we continuously evolve to keep pace with our stakeholders’ requirements. We will use the best available technology and science to keep ourselves ahead of counterfeiters, increase our global partnerships and will enhance our abilities for building capacity within public and private sector organizations to combat IP crime. We will continue to build loyalty with our partners through honor, integrity and trustworthiness and will keep ourselves relevant in an ever-changing world.

We will migrate to a new case management system that will provide us with advanced capabilities to support our global operations. The new Occurrence and Serious Crime Investigation Database is a powerful platform that will enable us to manage a wide variety of sophisticated investigations.

The 9th International Law Enforcement IP Crime Conference will be held in Hanoi, Vietnam in partnership with the Hanoi National Police from September 23rd to 25th. We anticipate over 500 delegates will attend from 70 different countries and will include some 250 public and private sector organizations. The UL Brand Protection Conference will be hosted in partnership with the Los Angeles County Sheriff’s Department in California June 24th to 25th and we anticipate some 200 delegates attending from 74 different organizations. The International IP Crime Investigators College will continue to grow and increase its online training capabilities. We will also launch an advanced online piracy investigation program along with a number of private sector training modules.
UL's brand protection initiatives help safeguard and maintain the integrity of the UL family of Marks. Our program adds value throughout the supply chain to consumers, retailers, distributors and manufacturers. Our work keeps potentially hazardous counterfeit products out of the stream of commerce and helps protect people, products and places.

UL's robust brand protection program is unique and provides our customers with a value-added service.