



## Counterfeit electrical products What they are and the harm they cause

A **counterfeit product** is one that uses, without authorization, the trademark, service mark or copyright of another product, with intent to deceive prospective customers into believing that the product is genuine.

Counterfeit electrical products are especially dangerous to the customer and industry. Why?

- Counterfeit electrical products can **overheat** or cause short circuits, leading to **fires, shocks** or **explosions** that can cost people their lives and produce considerable downtime and damage for the industry. Examples of fraudulent products include: control relays for industrial equipment; circuit breakers; receptacles; ground fault circuit interrupters; power strips; surge suppressors; power cords, etc.
- Worldwide, counterfeiting costs the electrical products industry **\$600 billion** each year. In the United States alone, that figure is \$200-\$250 billion.
- Revenue “stolen” from legitimate companies like Eaton reduces U.S. employment by **750,000 jobs** a year, according to the International Anti-Counterfeiting Coalition ([www.iacc.org](http://www.iacc.org)).
- Counterfeiting has been a **growing problem** worldwide for more than a decade and has increased by **10,000** percent over past 20 years.
- In challenging economic times, businesses and consumers are looking to cut costs. Some will be deceived by the lower cost of counterfeit products, not realizing the risks that unsafe “knockoffs” represent.
- There are laws against counterfeiting in many countries but detection is sometimes difficult and enforcement is lax.
- In 2009, U.S. Customs and Border Protection (CBP) reported that electrical products represented 13 percent of all counterfeit products seized – the second-highest total of any category. In 2011 electronics and electrical equipment moved to the number one position for seizures. Over 24,000 seizures occurred in 2011, a 24% increase over 2010
- More than 80 percent of these sub-standard, unsafe products originate in China and have started finding their way to the United States, Canada and Western Europe while continuing to have a strong presence in Africa, Asia, Latin America and the Middle East. Free trade zones and the movement of counterfeit products across borders, however, disguise true origins of many products.



Powering Business Worldwide

# Can you spot the counterfeit product?



## EATON ANTI-COUNTERFEITING COLLABORATORS



Eaton's electrical business has adopted a zero tolerance policy for counterfeiting and is committed to anti-counterfeiting technologies and programs. These include:

- Participation in the Global Task Force to coordinate anti-counterfeit initiatives across global markets. The task force develops programs and methods to influence and train customs groups, law enforcement, distributors and customers intended to thwart counterfeiting.
- Developing an extensive anti-counterfeiting Web site ([www.eaton.com/counterfeit](http://www.eaton.com/counterfeit)).
- Partnering with the electrical industry and governments worldwide to prevent the flow of counterfeit products at borders and halt production at its source.
- Collaborating with electrical manufacturers, suppliers and government on enforcement and best practices.
- Development of a circuit breaker authentication tool ([cba.eaton.com/cba](http://cba.eaton.com/cba)).
- Technologies that provide traceability of our products.
- An aggressive marketing and media campaign to educate businesses and consumers about the proliferation and risks of counterfeit products.

- Acting in cooperation with BEAMA, Eaton has been successful in conducting searches and seizures in China, the Middle East and Africa. These programs have identified hundreds or possibly thousands of breakers and electrical components that have been seized and destroyed.
- Eaton has been involved with NEMA and BEAMA in creating a campaign to raise awareness of counterfeits, which is directed to consumers, contractors and distributors.

The best way to avoid counterfeit electrical products is to purchase products from the manufacturer's **authorized distributors**. To find an authorized distributor visit [www.eaton.com/counterfeit](http://www.eaton.com/counterfeit), under How to Buy.

Always consider the following:

- Stopping the sale of counterfeit products is everyone's responsibility. The manufacturers, distributors, resellers (authorized and unauthorized) and customers alike.
- There is a higher risk of counterfeits if one cannot trace the path of commerce to the original manufacturer.
- If the price for a product seems too good to be true, there is a chance it's a counterfeit.

If you have reason to suspect you've purchased a counterfeit, contact the manufacturer.

Contact Eaton at [unauthorizedproducts@eaton.com](mailto:unauthorizedproducts@eaton.com) [www.eaton.com/counterfeit](http://www.eaton.com/counterfeit) or contact **1-877-BRK-SRVC**.

**Eaton Corporation**  
Electrical Sector  
1111 Superior Ave.  
Cleveland, OH 44114  
United States  
877-ETN-CARE (877-386-2273)  
Eaton.com

© 2012 Eaton Corporation  
All Rights Reserved  
Printed in USA  
Publication No. PA08700014E  
November 2012

Scan below to view Eaton's online Circuit Breaker Authentication tool.



Eaton is a registered trademark of Eaton Corporation.

All other trademarks are property of their respective owners.