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Leading High-Tech Companies Convene to Share Brand Protection Strategies, Best Practices

**Presentations from AGMA Member Companies Cisco, Dolby and EMC Highlight
Organization's Quarterly Meeting**

LOS GATOS, Calif., June 28, 2011 – The [Alliance for Gray Market and Counterfeit Abatement](#) (AGMA), a non-profit organization dedicated to addressing the gray marketing, [counterfeiting](#), software piracy and warranty and [service abuse](#) of branded goods around the globe, recently held their quarterly industry forum to discuss various topics related to brand protection issues. Hosted by Dolby Laboratories, Inc. in San Francisco, the meeting featured interactive discussions and presentations focused on brand protection strategies and best practices.

Andy Sherman, Dolby's general counsel, opened the meeting by discussing the challenges intellectual property rights holders face, and the importance of organizations such as AGMA where IP rights holders can come together and share their experiences and best practices. Following Sherman's presentation, Steve Jeffords, director of sales engineering and advanced support at Dolby, went on to describe Dolby's licensing business and the challenges faced by the company in enforcing licensing compliance. Jeffords shared the entire Dolby licensing process from implementation through the royalty model, including best practices related to contractual compliance and intelligence and enforcement tools.

A key focus for this meeting was to discuss recent legal victories in an effort to guide AGMA member companies through the often complicated litigation process. Cisco's Jeff Bonham reviewed a warranty and service abuse case which involved an estimated \$33,000,000 loss for Cisco. According to Bonham, "Historically, warranty and service abuse investigations have focused on the lack of a return, or the return of a lesser (genuine) product. However, this has shifted recently. Fraudsters are now returning altered or 'frankenstein' parts, which are legitimate-looking parts consisting of old and scrapped components that have been assembled to appear as actual 'broken' parts. The purpose is to receive genuine, refurbished parts to sell for profit on the gray market." The defendants in the recent Cisco case involving this scheme were recently sentenced to pay restitution and serve a combined total of more than eight years in prison.

Michael Morrissey, a member of EMC's Corporate Investigative Services team, reviewed a recent "E-Fencing" case which began as an internal investigation, and ultimately resulted in the convictions of two former EMC employees and an EMC Value Added Reseller (VAR). An outcome of the legal proceedings was EMC's implementation of a ground-breaking compliance program that establishes measures to ensure that VARs do not improperly use manufacturer's updates for used equipment, and requires confirmation that their retailers are legitimate. This compliance program is expected to provide a model for all online equipment resellers in the future.

According to AGMA president, [Ram Manchi](#), "AGMA member companies have been stepping up efforts to take legal action in the brand protection fight. There is much to be learned by sharing the details of these recent successfully litigated cases – collectively, our efforts to protect intellectual property rights can make an impact on a much larger scale than individually."

AGMA's next quarterly meeting will be held on July 20th & 21st at APC by Schneider Electric in Newport, R.I. To learn more about AGMA's initiative or to become a member, please visit www.agmaglobal.org.

About AGMA

AGMA is a non-profit organization comprised of influential companies in the technology sector. Incorporated in 2001, AGMA's mission is to address gray market

fraud, parallel imports, counterfeiting, software piracy, and service abuse of technology products around the globe. The organization's goals are to protect intellectual property and authorized distribution channels, improve customer satisfaction and preserve brand integrity.

AGMA welcomes any technology manufacturer, as well as persons or entities that own or hold intellectual property rights to finished goods outside the technology industry; product and service providers, government and law enforcement officials who provide goods and/or services to combat gray market fraud, counterfeiting and warranty and service abuse threats. AGMA uses a variety of avenues to cultivate change in the marketplace, including event speaking, educational initiatives, benchmark studies, industry guidelines, and, where appropriate, public policy advocacy. To learn more about AGMA's initiatives or to become a member, please visit www.agmaglobal.org.

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