

# Anti-Counterfeiting Update

March 2011



SKF is continuing its efforts to fight counterfeiting, and we wanted to bring you some of the latest updates on recent seizures and legal actions. Also, included below is a story that brings the issue a bit closer to home.

## Counterfeiting is everywhere, including small towns

When you think of the counterfeit trade, you probably associate the practice with big cities and emerging markets. But, that's not always the case. With today's sophisticated technologies, counterfeit parts can be produced and sold almost anywhere, even small towns.

### Here's a true story that hits close to home:

A maintenance mechanic discovered a burned-out pump motor at a neighborhood swimming pool, so he purchased a replacement bearing from a local distributor and installed the part in the pump motor.

However, the replacement part turned out to be counterfeit and two months later the counterfeit bearing caused the pump to fail again. This time the failed pump caused a fire that resulted in a

hefty insurance claim and lengthy litigation between the homeowner, installer and distributor – an unfortunate scenario that could have been avoided.

### Suspect counterfeiting activity in your region?

SKF USA Inc. continues to actively and aggressively assist local and federal authorities in combating counterfeiting. However, if you suspect counterfeiting activity in your region, please contact your local SKF representative with any information.

## Seizures/Legal actions

### Luoyang, Henan (China) – July 2010

SKF assisted China's Administration for Industry and Commerce (AIC) in an investigation of a suspicious bearing manufacturer operating under the name of Luoyang SKF Bearing Co., Ltd. The AIC raided the target and its related warehouse in Luoyang, Henan, seizing bearings that were all verified as counterfeit by SKF product engineers. The seizure included 105 pieces and 32 product types.

The manufacturer had been promoting the counterfeit SKF products via English websites, and was also sending promotional mailings to its customers in the U.S. In this case, SKF received the tip from a loyal SKF customer who noticed a suspicious website. SKF is currently pursuing appropriate legal actions.

### Long Beach, California – August 2010

U.S. Customs and Border Protection authorities in Long Beach, California notified SKF USA Inc. of the seizure of counterfeit SKF bearing products. The seizure took place at the Los Angeles/Long Beach harbor in California, and included a shipment of 5,940 bearings featuring marks that constitute trademark infringement.

The shipment originated from a manufacturer/exporter in China and was transiting the U.S. destined for an importer in Jasper, Texas later determined as Electric Motor Bearing Supply, Inc. SKF has filed a civil lawsuit against Electric Motor Bearing Supply, Inc. Another manufacturer has joined the fight. Read more below.

## SKF and Timken file civil lawsuit against counterfeiting offender

As part of the bearing industry's efforts to combat counterfeiting, both SKF and Timken have filed civil lawsuits against Electric Motor Bearing Supply, Inc. (Jasper, Texas) for the unauthorized sale, offering for sale, distribution and/or advertising of bearings containing SKF and Timken trademarks and part numbers.

U.S. Customs and Border Protection authorities confirmed that a total of nearly 7,000 counterfeit bearings featuring SKF and Timken trademarks were seized at the Los Angeles/Long Beach port earlier this year. The importer of these counterfeit bearings was listed as Electric Motor Bearing Supply, Inc.

## Counterfeit awareness campaign – [stopfakebearings.com](http://stopfakebearings.com)

SKF is a supporter and sponsor of the World Bearing Association (WBA) and its informational campaign to raise awareness about counterfeiting. WBA was founded in 2006 by three major, regional bearing associations: the American Bearing Manufacturers' Association (AMBA), the Federation

of European Bearing Manufacturers' Associations (FEBMA) and the Japan Bearing Industrial Association (JBIA). Additional information about WBA and anti-counterfeiting efforts is available at [stopfakebearings.com](http://stopfakebearings.com).

**Remember, the best way to safeguard authenticity is to always buy SKF bearings from an SKF Authorized Distributor.**