

S. Joe Bhatia
President and CEO
American National Standards Institute

**ANSI Joint Member Forum: Workshop on
Anti-Counterfeiting Standards
and Conformance Measures.**
April 14, 2010 – Arlington, VA

Good morning, everyone.

My name is Joe Bhatia, and I am president and CEO of the American National Standards Institute.

It is my pleasure to be here today, and I would like to thank you all for joining us for this ANSI Joint Member Forum – Workshop on Anti-Counterfeiting Standards and Conformance Measures.

Counterfeiting is one of the fastest-growing and farthest-reaching economic crimes, and it affects all industries – from pharmaceuticals and consumer products, to financial instruments and machine parts. Recent estimates put counterfeiting at anywhere from 2 to 7 percent of all world trade, with a value of \$200 to \$600 billion of illegitimate business per year.

The rapid growth and sophisticated organization of counterfeiting operations in recent years increasingly threaten the strength of legitimate business and trade, the stability of national economies, and the health and safety of millions of people.

According to Ronald Noble, Secretary General of INTERPOL, the global economic crisis has placed even greater pressure on both public and private sector efforts to maintain the collective fight against counterfeiting. The issue crosses all borders and reaches from the highest levels of government and industry leaders to the average consumer on the street, who is often unaware of the serious risks.

Take pharmaceuticals, for example: The World Health Organization recently reported that more than 30% of medicines in developing countries are found to be counterfeit. Even here in the U.S. and other wealthier countries with strong regulatory mechanisms, W.H.O. found that 8% of drugs sold are counterfeit. And with the burgeoning business of worldwide Internet sellers – where 50% of drugs for sale have been found to be counterfeit – ineffective, substandard, or outright hazardous counterfeit drugs are everywhere.

This past December, 60 government, law enforcement, and industry leaders from 20 countries met in Mexico for the Global Congress Combating Counterfeiting and Piracy. The *World Commerce Review* reported that the participants urged national and international political and business leaders to step up actions against counterfeiting to help boost global economic recovery and protect the health and safety of the world's citizens. And three words that were repeatedly stressed as vital to the solution were:

- cooperation,
- collaboration, and
- coordination.

For all of these reasons, it couldn't be more prudent that we are all here in collaboration today to develop the public-private partnership needed to identify and address counterfeiting health and safety issues.

A lot is already being done in various areas to fight counterfeiting. But we need to identify the gaps and possible overlaps in how standards and conformity assessment systems are enabling solutions for protecting health and safety. ANSI is pleased to have organized this workshop as a neutral venue for all stakeholders to come together to address key issues and priorities, and to explore solutions.

For any of you not familiar with our history, ANSI was founded 90 years ago by five professional societies and three federal agencies. These groups came together because they saw the need for an organization that could take on the difficult issues that fell in the gray area between regulatory mandates and private sector initiatives.

From its very inception, ANSI has coordinated a public-private partnership to address and help resolve the critical issues that face the nation and the world.

Over the past nine decades, we have seen that the most effective solutions come about through a thoughtful, open, and consensus-based process. These are the very principles that the U.S. voluntary standardization system is based on . . . and they are the same principles that have been applied to the organization and management of this workshop.

We have an interesting lineup for you today – a broad array of experts whose perspectives I think we will all find informative.

First off, Mark Crawford of the U.S. Department of Commerce will present a brief overview of counterfeiting issues from the public-sector perspective.

Then we will hear from three panelists on Current Initiatives in Standards and Conformity Assessment.

Brian Monks of Underwriters Laboratories will discuss a crack-down on counterfeit certification marks.

Mike O'Neil from NASPO will tell us about the new ISO initiatives to detect, prevent, and control fraud.

And Dr. John Spink of the Anti-Counterfeiting and Product Protection Program at Michigan State will talk about supply chain vulnerabilities.

After a short break, Scott Cooper of ANSI will lead a roundtable discussion on the next steps for the U.S. standards and conformance community in addressing counterfeiting. In addition to our presenters, joining our roundtable will be Linda Golodner of the National Consumers League and Bruce Mahone from SAE International.

All of you are invited to participate in this discussion, and I strongly encourage you to do so. You are the experts, and we rely upon your unique knowledge and insights to move this important effort forward.

I thank you all for your attention, and I hope everyone finds today's workshop to be informative and enlightening. I look forward to working with you and to hearing each of your perspectives on this critical topic.

With that, I'll turn the podium over to Mark Crawford....

Mark...

Thank you, Mark, for that informative presentation. Now our three panelists will discuss a number of standards and conformity assessment initiatives...

Brian, Mike, and John...

Thank you all for that excellent discussion. Now it's time for a short break. Please return to your seats in 15 minutes for the final discussion session.