



## Panel

**Jason Rocker** – Spokesperson,  
U.S. Golf Manufacturers  
Anti-Counterfeiting Working Group

**Wayne Mack** – Counsel, U.S. Golf  
Manufacturers Anti-Counterfeiting  
Working Group

**Steve Gingrich** – VP of Global Legal  
Enforcement, Srixon / Cleveland Golf /  
XXIO

**Jud Hawken** – Associate General  
Counsel, PING

**Sonia Lari** – Associate Intellectual  
Property Counsel, Callaway Golf

**Lisa Rogan** – Director of Trademarks  
and Brand Protection, Acushnet

Made up of four of the most well-known golf companies in the world, the U.S. Golf Manufacturers Anti-Counterfeiting Working Group has worked with international law enforcement to seize over a million counterfeit golf products and shut down hundreds of websites selling counterfeit merchandise. The group was formed in 2004, and its members recently joined a panel discussion, where they spoke about their efforts over the last 10+ years and about the future of the industry’s fight against fakes.

**Jason Rocker, U.S. Golf Manufacturers Anti-Counterfeiting Working Group:** We know there’s not a hard and fast record, but does the counterfeit problem feel as if it’s getting bigger or smaller and what are some of the changes you’ve noticed since the group’s inception in 2004?

**Steve Gingrich, Srixon / Cleveland Golf / XXIO:** It’s smaller from a retail perspective; today we don’t see the same amount of counterfeit products displayed in retail outlets or at green grass accounts as in years’ past. However, investigations have revealed that many shops have access to counterfeit product and will try to accommodate a sale if the customer presses for a copy product.

**Jud Hawken, PING:** The biggest change I’ve noticed is just the general shift in counterfeit trade toward more direct sales online through rogue websites to the end consumer directly. In the past, we would see bigger factories producing high volumes of fake products for direct distribution to the larger retail or wholesale distribution channels. But today, it seems we’re seeing a larger number of the smaller, independent, underground operations that are selling direct to consumers. I guess I’d say it’s a shift in the counterfeit business model, leaning down into more independent operations.

**Rocker: To what do you attribute that shift?**

**Hawken:** I think it’s a combination of factors. The Chinese government’s enhanced focus on intellectual property rights (IPR) is having an impact on driving the blatant cases further underground. It’s a combination of the government’s initiative and the group’s effort that keep chipping away at the problem. I think we’re seeing a general shift in the landscape of things.

**Rocker: How were you able to get over that barrier of being competing brands and coming together to collaborate on this larger issue?**

**Lisa Rogan, Acushnet:** I think because we’re a smaller industry it was easier to collectively say: “Hey, let’s work together to attack the counterfeiting problem together.”

**Wayne Mack, U.S. Golf Manufacturers Anti-Counterfeiting Working Group:**

I would add that from the inception, the group was very clear that there were certain guidelines and rules we were going to follow to make sure that we complied with all the laws. We were very organized. The fact that we had this structure in place from the beginning – due in large part to the initial individuals that were so important in putting the group together – provided the rails on which the train runs.

**Hawken:** The common interest in petitioning and lobbying the government and law enforcement for the protection of intellectual property rights. The overarching principle of protecting IP rights is a unifying force; I think it’s kind of unique to golf because of the high level of technology and innovation involved.

## Brands Represented



**Rocker: What would you say is the biggest barrier to the group's mission right now?**

**Gingrich:** The availability of low-cost, worldwide shipping of products through services and shipping companies is a challenge for anti-counterfeiting. While containers and large shipments may be stopped at borders, few border patrol agencies have the resources or technology available to stop the flow of small packages and counterfeits from entering the country today.

**Rocker: Because it's so easy to ship the products through these worldwide shipping providers, it's easier for any mom-and-pop counterfeiter to get their products out there at a relatively low cost?**

**Gingrich:** Exactly. I don't want to say small mom-and-pop shops, but small manufacturing operations are responsible for the shipping of smaller containers and the U.S. government, unfortunately, doesn't have the man power or necessary resources to inspect shipments at these entry points.

**Rocker: On that front of what's new and different, are there any potential technology solutions that you've looked at or are currently considering implementing as an industry that can help curb the counterfeiting issue?**

**Rogan:** I think that one of the biggest things that we need to remember here is that the consumer is out there looking for that "great deal" — the deal of all deals. They turn to the internet to find cheap product. They are searching "cheap clubs" or "discount clubs" online and come up with counterfeit sites, instead of visiting their local pro shop or sporting goods stores, where they can try out the clubs and view security features in person. If you're talking about a hologram or a chip, that's not something you would be able to authenticate on a website.

**Rocker: Something like that may actually go to perpetuate the problem more than it would actually solve it.**

**Rogan:** In my experience with other luxury goods outside of the golf industry, consumers have said: "Well, it had the hologram on it, so it must be real." It can foster a sense of security with the consumer, in which the consumer does not investigate from where the goods are shipping, or the website from which they are buying the goods. They assume that the product must be real because of the hologram, which can easily be copied by the counterfeiters.

**Gingrich:** From our perspective, we like and continue with our current authenticity label program. The label today continues to allow us to easily differentiate counterfeit products from legitimate products. Although the overt technology has been copied and placed on counterfeit products, the covert technology has not been comprised and it still allows us to work with enforcement officials and to explain to the consumers very easily.

**Hawken:** From my perspective, one of the main problems we're dealing with is some consumers buying online sight unseen, without actually having the product in front of them. Whether its covert or overt security technology on the actual product, those types of solutions don't fit the paradigm that we're in where consumers are pulling up a website and digitally looking online at the product. By the time they get the product, often it's too late. I do think there are merits with certain authenticity programs, but the biggest and best tool is not security technology, but education. Many golfers are already educated about these issues and understand they get the best value for their dollar when they buy from an authorized retailer – one who has the product knowledge, commitment to service and even the custom fitting skills to deliver clubs that will maximize each golfer's performance. When more golfers understand this, we will see fewer consumers taking the risk of dealing with unauthorized retailers, and more checking with a brand to make sure they know which retailers are authorized by the brand. This is difficult to accomplish using just physical technology solutions.

**Mack:** What's amazing about this group in a broad sense is that it is made up of four different companies with different strategies in places for issues like the technology solutions that we're talking about here. At the same time, they still come together to fight against counterfeiters on a global scale. That's something that can't always be said about other industries that deal with the same problem.

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