



Q2: April – June 2016

UK Courts Find Market Traders Liable for Selling Counterfeit Products

In May, a Manchester man pleaded guilty to 14 offences under the Trade Marks Act and was ordered to pay a fine and costs for the unauthorized use of *Nintendo's* trademarks on *Mario* character toys which were sold at a local market.

In a second case, a man who traded as “Bubble and Bling” on eBay received a three-year suspended sentence and was ordered to pay a fine and costs for selling unauthorized clothing bearing *Nintendo's* trademarks. Trading via eBay enabled the man to sell counterfeit and unauthorized goods to customers in Australia, Hong Kong and Singapore which demonstrates the global impact of the counterfeit trade.

Spanish Courts Confirm the Illegality of *Nintendo 3DS* Circumvention Devices

In May, the Barcelona Mercantile Court ruled that the operator of the *Disfrutadetuconsola.com* website infringed *Nintendo's* intellectual property rights by importing and selling the latest generation of *Nintendo 3DS* circumvention devices (“*Sky 3DS*”) together with unauthorized copies of *Nintendo 3DS* video games.

In a proceedings before the Criminal Courts of Fuenlabrada, the owner of the *myconsola.com* website pleaded guilty to importing and selling *Nintendo 3DS* circumvention devices and was sentenced to four months in prison (which was suspended on the condition that the defendant does not commit a similar offense) and ordered to pay damages. This precedential ruling represents the first successful application of the new Technological Protection Measures (TPM) provision in the Spanish Criminal Code.

Alibaba Group Hosts Inaugural Summit for International IP Rights Holders

In July, the Alibaba Group held an inaugural Rights Holders Collaboration Summit to engage international brands and the intellectual property (IP) enforcement community to enhance collaboration in the collective fight against IP infringement. Alibaba introduced the IP Joint-Force System, an online platform designed to streamline IP-related communication between brands and Alibaba, which is expected to reduce the volume of infringing goods on Alibaba platforms by increasing the flow of communication and collaborations with right holders.

Read more: <http://www.alibabagroup.com/en/news/article?news=p160701>.

Significant Seizures of Game Copier Components in Mexico

Two separate customs seizures in Mexico City and Guadalajara yielded approximately 800 game copier products in May and June. In both cases, the game copier component parts were shipped from Asia in large quantities, intended for in-country assembly in Mexico. The seizure activity in Mexico has already surpassed 2015 numbers when customs seized only one shipment of circumvention devices the entire year. Nintendo has taken advantage of recent training opportunities, the most recent training hosted by the U.S. Embassy and covering multiple customs ports including Manzanillo, Guadalajara, Veracruz, Monterrey, Toluca and Mexico City.

U.S. Customs Seizure Statistics Trends

In May, U.S. Customs and Border Protection (CBP) invited Nintendo to participate in an Intellectual Property Rights Roundtable discussion with approximately 40 rights holders including Sony, Apple, MPAA, ESA and Dolby. Several IP-related topics were covered including various seizure trends including overall seizure statistics, modes of transportation, health and safety product seizures and overall value of goods seized as identified in the CBP [Seizure Statistics Report of 2015](#). Of note, FY 2015 saw the total number of IPR seizures increased nearly 25 percent to 28,865 and the value of the seizures increased 10% to \$1,352,495,341 USD (based on MSRP). However, CBP reports a 57% decrease in the number of circumvention devices seized for violations of the Digital Millennium Copyright Act (DMCA) from 2014 which could be due in part to game copier suppliers shipping component parts in small quantities via express couriers.