



NEW YORK STATE SENATOR

Frank Padavan

Crackdown on Canal Street Highlight Counterfeit Good Epidemic

FRANK PADAVAN March 3, 2008

Calling it an important break in the fight to keep counterfeit goods off New York City streets, New York State Senator Frank Padavan (Queens) commended Mayor Bloomberg, the New York City Police Department and the Mayor's Office of Special Enforcement for their raid in Chinatown on Tuesday February 26, 2008.

The raid on what has been dubbed the "Counterfeit Triangle" was the culmination of a two month long investigation into the peddlers of counterfeit goods including handbags and other knock off designer merchandise. All totaled the raid netted over one million in fake goods and shut down a number of counterfeit peddling operation on Canal Street, Baxter Street, Walker Street and Centre Street.

"Thanks to the commitment from Mayor Bloomberg and the diligence of the NYPD and the Mayor's Office of Special Enforcement this raid on what is infamously know as the 'Counterfeit Triangle' was a major success," Padavan said. "This raid vividly highlights the trouble that the counterfeit good trade poses to the City of New York, the state and the nation. From this successful raid, we must continue to raise awareness and continue to combat the sale and trade of counterfeit goods and knock off merchandise from our city streets."

As chairman of the New York State Senate Majority Taskforce on Immigration, Senator Padavan has been at the forefront in the fight to eliminate the counterfeit good trade and sale of knock offs in New York City. In this role, Padavan has authored two key reports highlighting the negative and adverse impact that the counterfeit good sale and trade has on the City and state. His most recent report, "The Counterfeit Connection", published in 2005, details the counterfeit good trade, intellectual property theft and terrorist financing.

The report also details the deep economic and fiscal impact that the counterfeit good trade has had on the City and state economies. Counterfeiting cost the City and State of New York an estimated \$3 billion and continues to grow.

"The sale of counterfeit goods is a massive problem for all New Yorkers," Padavan said. "This problem is not just isolated to streets of Manhattan, but throughout the five boroughs and indeed across the state and country. The sale of counterfeit goods on our streets has far reaching implications. It puts a strain on our economy, hurts businesses and contributes to crime on our streets."

In order to more aggressively fight the increased availability of counterfeit goods, Senator Padavan is the main sponsor of comprehensive legislative agenda in the Senate. Among the key anti-counterfeiting legislative initiatives are:

- S.68- Establishes the crimes of possession of an unauthorized recording in the first and second degrees;
- S. 69- Provides for seizure and forfeiture of vehicles, vessels, and/or aircrafts used to traffic counterfeit goods;

- S.84- Increases criminal penalties for trademark counterfeiting by defining the term “retail value” for the purposes of trademark counterfeiting;
- S.85- Establishes the crimes of possession of a counterfeit trademark in the first, second and third degree;
- S.90- Increases criminal penalties for trademark counterfeiting involving unsafe goods and for repeat offenses of trademark counterfeiting; and
- S.131- Establishes a presumption in the State Penal Law that the retail value of a counterfeit DVD or video of a first-run feature film exceeds \$1,000.