



Intellectual Property Protection



Counterfeiting and the IT Industry

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Content

About Cisco

Intellectual Property Rights

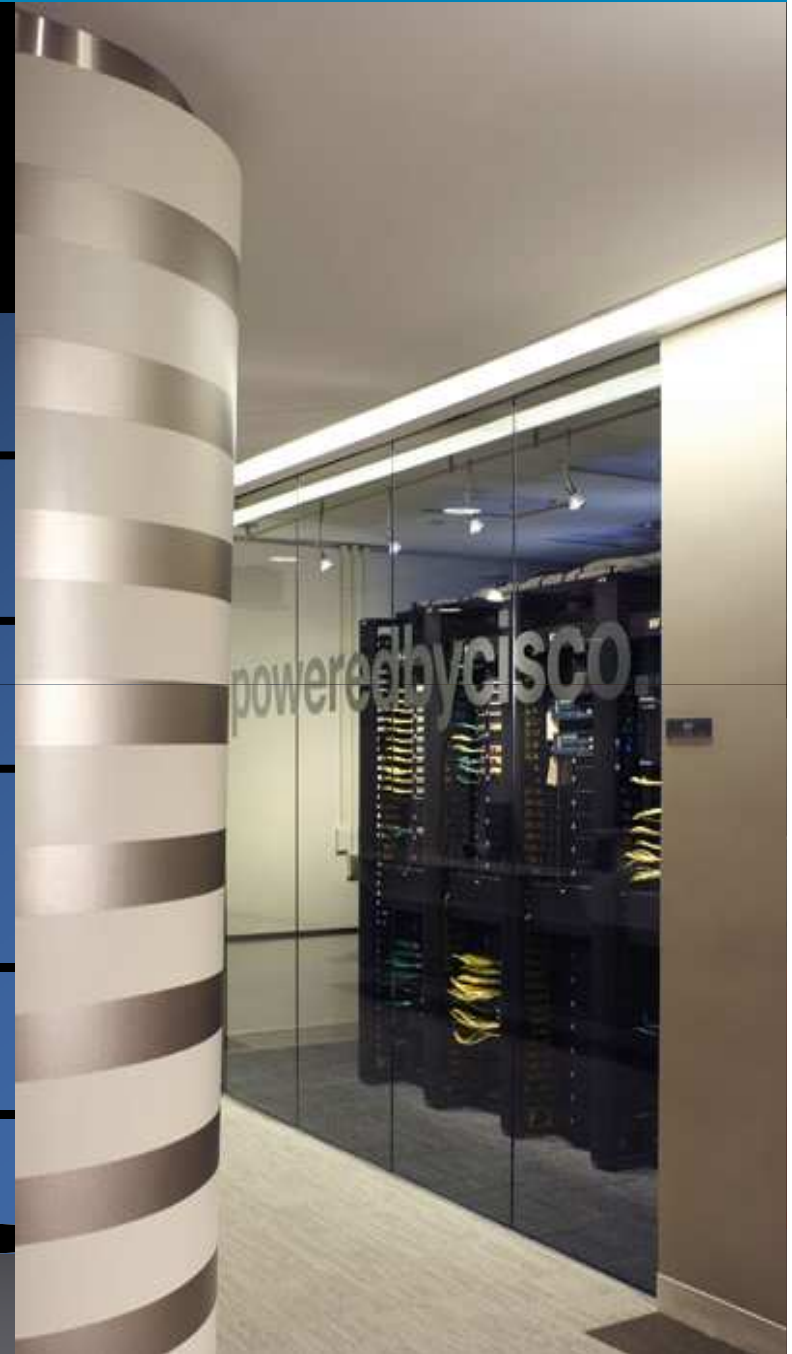
Cisco Brand Protection

Addressing the Problem

Partner Outreach / End User Out Reach/
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Global Cases

Lebanon Key Engagements



Cisco



\$5.2 B+
R&D Investment
Annually

20,000+
Engineers

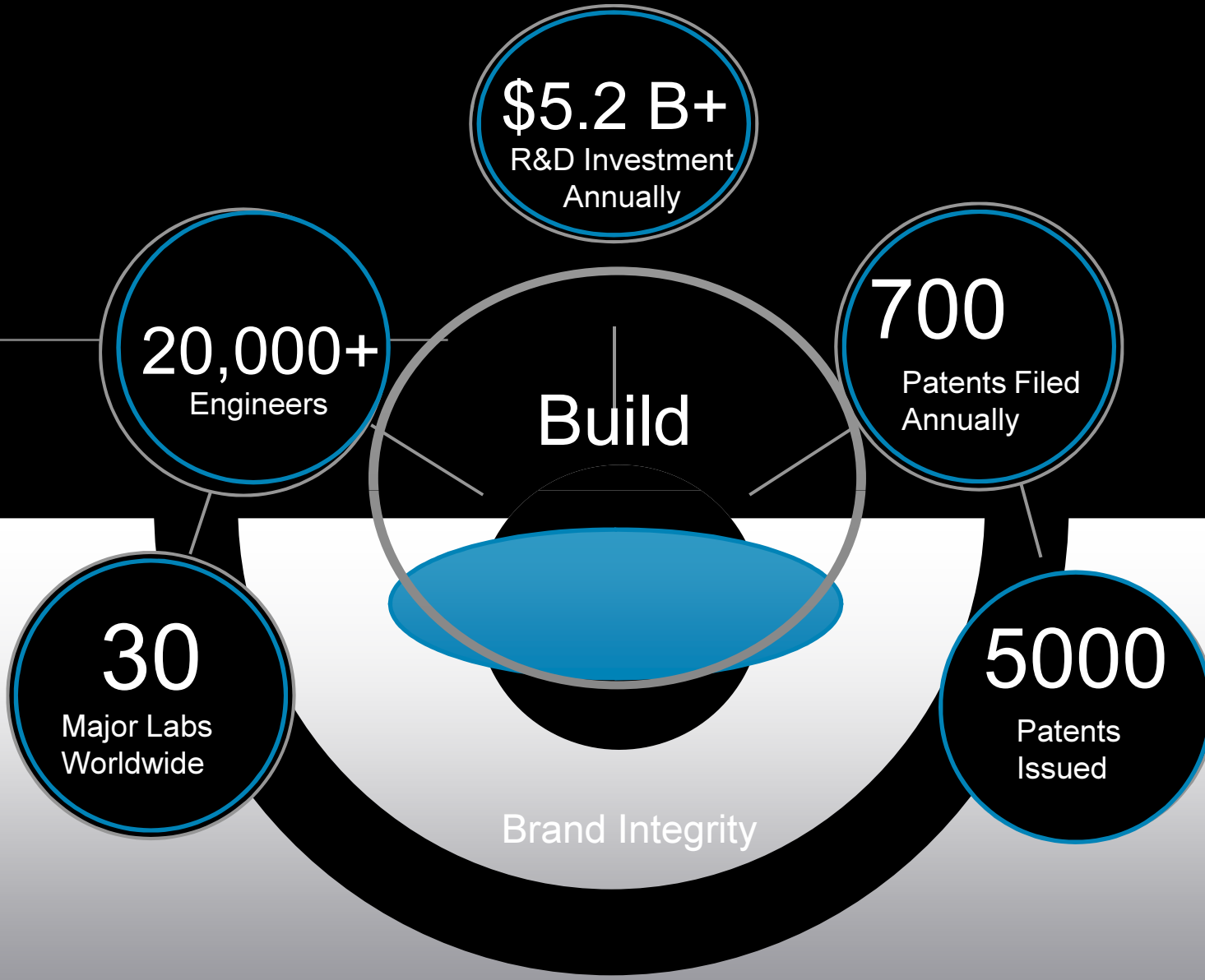
700
Patents Filed
Annually

Build

30
Major Labs
Worldwide

5000
Patents
Issued

Brand Integrity



Intellectual Property Rights



Protection of Intellectual Property is critical to Cisco's success and is fundamental to the development of democratic societies and economic systems

Private/Public
Sector
Partnerships



Education and
Awareness

Cisco Global Brand Protection



Global Remit with a Local Touch

Cisco Brand Protection Lebanon



Ensure Safe and Secure Business Practices



Enable ICT Growth in Lebanon

- Safely enable ICT business in Lebanon
- Enhance business profitability in Lebanon
- Work with key stakeholders across government to secure to protect Intellectual Property



Genuine Products, Every Time

- Mitigate consumer risk by monitoring and promoting authorized paths to market
- Protect customers from counterfeit products

Partner Outreach

Ensuring a Fair Playing Field



- **Partner Compliance:** Global Audit Program
- **Cross Border Sales:** Product Diversion Investigations
- **Monitor Market:** Test Purchasing



End User Outreach



Direct End User
Engagement

Education and
Awareness

Equipment
Validation

Strategic Relations

Proactively Protecting IPR



Engaging with Key Enforcement Authorities



Influencing Key Policy Makers



Driving Thought leadership

Key Global Cases



“Feds shred counterfeit Cisco Trade” NetworkWorld

Feds shred counterfeit Cisco trade

By Laver 8
Created May 6 2010 - 4:07pm

With a new conviction today, the federal action known as [Operation Network Raider](#) has resulted in 30 felony convictions and more than 700 seizures of counterfeit Cisco network hardware with an estimated value of more than \$143 million.

According to the Departments of Justice and Homeland Security who headed up the operation, there has been a 75% decrease in seizures of counterfeit network hardware at US borders from 2008 to 2009. In addition, nine people are facing trial and another eight defendants are awaiting sentencing.

The US Customs and Border Protection (CBP) has made 537 seizures of counterfeit Cisco network hardware since 2005, and 47 seizures of Cisco labels for counterfeit products. In total, ICE and CBP seized more than 94,000 counterfeit Cisco network components and labels with a total estimated retail value of more than \$66 million during the course of the operation, the agency added.

The agencies said that today, Ehab Ashoor, 49, a Saudi Citizen who resides in Sugarland, Texas, was ordered to pay \$119,400 in restitution to Cisco. A federal jury found Ashoor guilty on Jan. 22, 2010, of evidence presented at trial. Ashoor purchased counterfeit Cisco Gigabit Interface Converters (GBICs) computer network for which the GBICs were intended is used by the U.S. Marine Corps to transmit tro west of Fallujah, Iraq, the DoJ stated.

“Trafficking in counterfeit computer components is a problem that spans the globe and impacts most. It demonstrates, sustained cooperation between law enforcement and the private sector is often a critical economy and endanger public safety,” said Assistant Attorney General Breuer in a statement.

The FBI was also part of the operation's success and worked closely with the US Immigration and C

FOR IMMEDIATE RELEASE

Thursday, May 6, 2010

Departments of Justice and Homeland Security Announce 30 Convictions, More Than \$143 Million in Seizures from Initiative Targeting Traffickers in Counterfeit Network Hardware

Operation Network Raider, a domestic and international enforcement initiative targeting the illegal distribution of counterfeit network hardware manufactured in China, has resulted in 30 felony convictions and more than 700 seizures of counterfeit Cisco network hardware and labels with an estimated retail value of more than \$143 million.

The results of the operation were announced by Assistant Attorney General Lanny A. Breuer of the Criminal Division, Assistant Director Gordon Snow of the FBI's Cyber Division, Assistant Secretary John Morton of U.S. Immigration and Customs Enforcement (ICE) and Commissioner Alan Bersin of U.S. Customs and Border Protection (CBP). In addition to the convictions and seizures, according to the CBP there has been a 75 percent decrease in seizures of counterfeit network hardware at U.S. borders from 2008 to 2009. In addition, nine individuals are facing trial and another eight defendants are awaiting sentencing.

This operation is a joint initiative by the FBI, ICE and CBP working with the U.S. Attorneys' Offices around the country, the Criminal Division's Computer Crime and Intellectual Property Section and the National Intellectual Property Rights Coordination Center. Through aggressive investigation and prosecution, the initiative seeks to protect computer networks and the nation's IT infrastructure from failures associated with counterfeit network hardware, including network routers, switches, network cards, and devices that protect financial and corporate communications that have been intercepted both domestically and abroad.

The New York Times Business

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May 6, 2010

Man Sentenced for Selling Phony Goods to Military

By JAMES C. MCKINLEY JR.

HOUSTON — A Saudi man was sentenced Thursday to four years in prison for selling counterfeit computer parts to the Marine Corps for use in Iraq and Afghanistan.

The sentencing of the Saudi, Ehab Ashoor, 48, who lived in Sugar Land, Tex., was part of a broader federal crackdown on shady businesses that supply shoddy computer goods to the military and federal agencies.

Next month, two Houston brothers, Michael and Richard Edman, are scheduled to be sentenced after pleading guilty to selling computer network cards to the Marine Corps, Air Force, F.B.I., Federal Aviation Administration and Energy Department, among other agencies.

Judge David Hittner of United States District Court sentenced Mr. Ashoor on Thursday to 51 months in prison, the maximum term recommended by federal prosecutors. Mr. Ashoor sat slumped in his chair as the judge read the sentence.

When the prosecutor pointed out that Mr. Ashoor had shown disregard for the men and women serving in Iraq, the judge quipped, “Well, they're obviously not his men and women.”

Mr. Ashoor said, raising his voice in anger, after handing down the sentence.

Mr. Ashoor would appeal the sentence. Mr. Ashoor was convicted of buying 200 counterfeit networking cards in Hong Kong that were inferior copies of the Cisco Systems cards he was under contract to provide to the Marine Corps for use in helicopters, airplanes and computer equipment to transmit data about troop movements and other sensitive information.

“These cards are about what goes into our airplanes and helicopters in Iraq and Afghanistan,” said John Morton, assistant secretary of homeland security.

Mr. Ashoor bought the cards on eBay for \$25 each in July 2008 and charged the Marine Corps \$625 each, the indictment said. He also repackaged the cards to make them appear to be Cisco products.

Mr. Ashoor said they had lived in the United States for 20 years and had two children, but had remained citizens of Saudi Arabia. She said the family now faced financial hardship; Mr. Ashoor was forced to pay Cisco

for the parts were never used. Customs agents noticed something amiss with the shipment and referred it to investigators, so the Marine Corps stockpiled the parts until the inquiry was finished, he said.

The Edman brothers were involved in a similar scam through their company, Cyren Technology, Mr. Morton said.

Rachel Marcus contributed reporting.

DOJ and Homeland Security announce 30 convictions, >\$143 Million in seizures in counterfeit network hardware

“Man Sentenced for Selling Phony Goods to Military” New York Times



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Lebanon – Key Engagements



Lebanese Consumer Protection

- Working closely with the Consumer Protection Department to minimise the risk of counterfeit at our customers' sites



Education and Awareness

- Driving and promoting activities in IPR protection, education & awareness and social responsibility



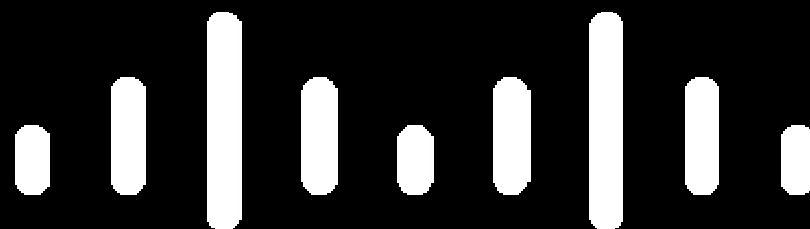
Lebanese Customs

- Working with Lebanese Customs to monitor the borders for counterfeit products

"Only occasionally do you have an opportunity to make a difference in a person's life, much less in a community. We have a chance to make a difference in **Lebanon** and perhaps even a region...we can make a meaningful contribution to help position Lebanon for **leadership** in the future. Through the unique combination of **public-private partnerships** and the support of the global community, together we can accomplish what none of us can do alone."

John Chambers,
Chairman and CEO, Cisco Systems





CISCO

Accept No Substitute