



Project SToP eNewsletter November 2007

"The global economy for illicit goods is massive, but by definition impossible to measure. What we do know is that is getting bigger. The number of counterfeit items seized at EU borders has increased by more than 1000%, rising from 10 million in 1998 to over 103 million in 2004."

Peter Mandelson, EU Commissioner for External trade

SToP eNewsletter will be published every three months. Each edition will contain a short overview of the happenings within the project and information on related topics.

Any feedback or questions contact urska.guna@oria.si



SToP PROJECT INTRODUCTION

The SToP project is being supported by the European Union's Sixth Framework Programme for Research and Technological Development. The SToP project aims at developing ambient intelligence-based and network-oriented systems for efficient and secure authentication of products. It thereby helps to reduce the problems imposed by counterfeiting and product privacy. The objective of the SToP project is to create a solution for secure, user-friendly, cost-effective product authentication, which will help in detecting counterfeit goods as early as possible or even prevent them from entering into the supply chain in the first place. As a network-based solution, it supports the alignment and information of stakeholders. It encourages information sharing on counterfeiting related problems and promotes closer cooperation. It improves communication with consumers, providing them with better ways of risk mitigation and education.

The SToP consortium brings together seven partners from four different European countries, namely France, Germany, Slovenia, and Switzerland. The consortium comprises companies of various sizes. Two of the partner companies, SPACECODE and ORIA are SMEs, but we also have global player members in our team, these are Airbus, Bundesdruckerei, Novartis and SAP. High quality academic research is represented by the renowned University of St. Gallen (HSG).



STARTING WITH THE PROJECT

November 2006 saw the start of the SToP project. Kick off meeting took place in Berlin. Members of the consortium launched a project which will end in year 2009.



ISSUES OF COUNTERFEITING

Within the last decade, trade in counterfeit goods has developed into a substantial threat to various

industries. Counterfeiting is defined as the unauthorized reproduction of goods, services, or documents in

relation to which the state confers upon legal entities a statutory monopoly to prevent their exploitation by others.

The problem is not specific for certain products or branches. Alongside music, software and luxury goods industries, counterfeit products are increasingly finding their way into other sectors such as pharmaceuticals, automobile spare parts or toys. Referring to the International Chamber of Commerce, *"...counterfeiting and piracy are growing exponentially in terms of volume, sophistication, range of goods, and countries affected - this has significant negative economic and social impact for governments, consumers and businesses, and an international multisectoral response is required"*. In the European Union, commissioner László Kovács, points out that only in 2003 EU Customs seized about 100 million fake items - which represents a 900% increase in four years; and even though these seizures are reckoned to correspond to more than 1 billion Euros - they are only the tip of the world's "fake iceberg" which is estimated to involve more than 400 billion Euros.

For the affected companies, counterfeiting means a loss of revenue, damage to their brand name, and a negative impact on the return

on investment for research and development expenditure. In the past, mostly large international organizations with world-wide known brands were affected. However, as the counterfeiting evolves in a highly professional organized business, the intellectual property of small and medium sized enterprises is at risk as well.

An effective strategy to reduce illicit trade in counterfeit goods most often constitutes of a mix of four countermeasures which are: legal actions, consumer information and education, private investigators and cooperation with enforcement agencies, and countermeasures based on technology.

SToP aims at developing ambient intelligence-based and network oriented systems for efficient and secure authentication of products, and thus helps to reduce severe problem imposed by counterfeiting and product piracy. We intend to apply ambient intelligence technologies and vision of duality of existence, in the real and the virtual world, for the secure authentication of smart products allowing fair vendors, distributors and customers to distinguish between genuine and counterfeit products.

COLLABORATION WITH OTHER RESEARCH PROJECTS

The organization of RFID-related projects within a cluster with regular meetings and information exchange provides an opportunity to reach a broad, competent audience and stay up-to-date with current developments in this area. The SToP project is therefore interested and prepared to actively participate in cluster activities and keep the members of the cluster informed about project activities.

Projects as TraSer, BRIDGE and SMART have been identified to be most relevant to the SToP project. We also plan to establish and improve links to other research groups that are working in related fields, and several academic groups that are working on aspects of anti-counterfeiting technologies, most notably in the area of security tagging.

CALENDAR OF EVENTS

PAST EVENTS

SToP project, was successfully presented by Felix Graf von Reischach at the STOA experience. You can learn more on the http://www.europarl.europa.eu/stoa/events/workshop/2007_experience/default_en.htm .

At the 13th international conference on concurrent engineering Sophia-Antipolis, Mikko Lehtonen, Nina Oertel and Harald Vogt, presented their article “Features, Identity, Tracing and Cryptography in Product Authentication. In this paper, they have presented an overview of existing ways to authenticate products. You can learn more about it on our official website, under PUBLICATIONS topic.

Felix Graf von Reischach, SToP researcher, presented his latest anti-counterfeiting concepts at the prestigious 9th International Conference on Ubiquitous Computing.

Conference took place in Innsbruck, Austria, from 16 until 19 September 2007. You can learn more on <http://www.ubicomp2007.org/> .



FUTURE EVENT

SToP will be present with a demo at the conference in Lisbon.

CONTACT & INFORMATION

You can get additional information about SToP project on the official website <http://www.stop-project.eu/>.

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