

Technological leadership of Europe's marine equipment manufacturing industry at stake

Copied products deployed on vessels – can the tide be turned?

© 2009 by Frank van Bouwelen & John R. Kuehmayer

HOFFMANN · **EITLE**



Technological leadership of Europe's marine equipment manufacturing industry at stake

Copied products deployed on vessels - can the tide be turned?

Preface

AMEM is proud to announce a Pro Industry Initiative jointly developed with HOFFMAN-EITLE Munich based patent attorneys on the occasion of the High Level Meeting organized by the office of Günter Verheugen, Vice-president of the Commission for Enterprise and Industry in Bremen on the 11th of September 2009 commonly known as LeaderSHIP 2015 Conference. Presidents, chairmen, and chief executives of Europe's leading shipyards and marine equipment manufacturers, relevant ministers from the key member states and other important stakeholders have discussed the most challenging issues of this industry. The world economy is experiencing its first contraction since the Second World War with severe effects on employment in all countries. The crisis that initially began in the financial sector has rapidly turned into a dramatic downturn in the real economy. The shipbuilding and marine equipment industry was experiencing a predominantly speculation driven boom during the years 2007 and 2008, when in autumn last year worldwide orders for new commercial ships faded away all of a sudden followed by a flood of cancellations and postponements of deliveries. All the predictions that the order books will reach far into 2012 have turned out to be total nonsense!

Enormous overcapacities in Asia and the ruthless theft of the intellectual assets have posed a threat on the European shipbuilding and marine equipment industry second to none.

The AMEM/Hoffmann-Eitle study has become all the more a unique initiative because the agenda of the LeaderSHIP 2015 conference did not expressively deal with the protection of Europe's intellectual assets – what a shame for a society which claims to be knowledge based!

One more reason which raised the sympathy for the Trade Union action day organized by the European Metalworker's Federation EMF on the 11th of September in Bremerhaven in front of the Atlantic Hotel Sail City!

Copied products accompanied by copied certificates deployed on vessels – can the tide be turned?

Austrian Marine Equipment Manufacturers have been advocating the protection of the intellectual assets of this European high-technology based industry – the cradle of innovation for worldwide shipbuilding since many years. Intellectual property theft has emerged as the new face of economic crime around the world, in scale greatly exceeding traditional property crime, which historically has been the focus of law enforcement resources. Public policy and the industry have to recognize the magnitude of this seismic shift in the patterns of criminal activity. The Commission, governments and businesses have jointly to adjust the proper legal resources as there is definitely a demand for special legislative measures to battle the unintentional transfer of European technology!

The time has come for the European marine equipment manufacturers to think about securing their products in the same way that central banks secure their currency! This industry will be confronted with a massive flood of copied products, quite often accompanied by copied certificates and no efficient means of tracing and tracking, identifying and inspecting over the entire supply chain and – as a last consequence – eliminating copied products from the market that have demonstrably failed and caused severe damage!

For the time being the majority of copied marine equipment does not cross the borders of the European Union, the copies simply float on the seven seas where they form part of a ship built outside Europe, quite often posing a threat to safety, human beings and the environment! The longer an economic depression lasts, the smaller the order book of European shipyards becomes, the higher the temptation of ship owners and yards will be, to source cheaper – mostly copied – products from overseas markets.

The technology for the authentication of original products and genuine certificates is available, what the industry desperately needs is the updated legal framework to successfully prevent the theft of European industrial property (intellectual assets)!