

Media Release

New report finds counterfeit smartphones cost mobiles industry EUR 45.3 Billion

28 February 2017

The report released today by the European Union Intellectual Property Office (EUIPO) in conjunction with the International Telecommunications Union (ITU) puts the cost of counterfeit smartphones at EUR 45.3 Billion to the legitimate industry.

"This report not only highlights the enormous economic cost to the legitimate industry but should also serve as a reminder to consumers to be constantly vigilant against counterfeits" Michael Milligan, Secretary General of the Mobile & Wireless Forum (MWF) said today in response to the report.

The MWF is the international association representing mobile and wireless device manufacturers.

"Counterfeit smartphones are a danger to consumers. These devices are made with cheap sub-standard materials and have been shown to contain dangerous levels of metals and chemicals like lead. The devices and their chargers often fail to meet even basic electrical safety standards", Mr. Milligan added.

Also, because counterfeit phones are not tested for compliance with industry and national standards, they suffer frequent call dropouts and put a strain on the mobile network by degrading coverage, call quality and mobile internet speeds.

"Consumers should also be aware that recent cases have shown that counterfeit devices can also come preloaded with malware that seeks to steal personal and financial information from the user", Mr. Milligan added.

Mr. Milligan said that the mobiles industry has been working with governments around the world to educate consumers about the dangers of counterfeit devices and the Mobile & Wireless Forum (MWF) created the Spot-a-fake-phone campaign. On the Spot-a-fake-phone website (<u>http://spotafakephone.com</u>), consumers find advice on how to identify fake devices and what to look out for when buying a new phone.

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Note for Editors:

The Mobile & Wireless Forum is an international association of companies with an interest in mobile and wireless communications including the evolution to 5G and the Internet of Things. The MWF focuses on a range of issues concerning mobile and wireless devices including RF health and safety, certification testing standards and requirements, counterfeit issues and accessibility. Further information on the MWF can be found on our website at www.mwfai.org