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First counterfeit plain packs hit the streets

British American Tobacco Australia (BATA) today revealed that one of its well-known brands has been illegally counterfeited in the olive green plain packaging format and sold in Australia for the first time.

The packs were purchased by covert operatives in Sydney and Wollongong working for BATA after a tip-off from a retailer. BATA undertakes over 3000 of these operations a year Australia wide.

It's believed the counterfeit packs were made in China and have been smuggled into Australia by criminals as a test run to gauge interest in the new product from the market.

They were sold for \$10 to \$12 with some of the counterfeit packs hidden amongst legal brands in an effort to conceal them. The actual brand which has been copied is being sold legally for \$25 to \$30.

BATA spokesperson Scott McIntyre said the first illegal olive green packs purchased had been sent to BAT's testing laboratory in Southampton, England with forensic analysis showing that the counterfeits were made by hand, not a cigarette packing machine.

"Counterfeit packs in Asia are often made by hand in small underground manufacturing bunkers which can produce huge amounts of custom illegal cigarette packs," Mr McIntyre said.

"Apart from being smuggled into the country by an organised crime group to avoid paying tax to the Australian Government, there are many issues with the counterfeit packs which don't make them compliant with plain packaging laws.

"The olive green pack colour is a much darker shade than allowable, the font type, size and design are also incorrect. The cigarettes are not 'Australian Fire Risk Standard Compliant' while the trademark on the side claims the packs are made in England.

"The smugglers have also counterfeited a cigarette brand which is only sold in packs of 25 in Australia and in two brand variants. The counterfeit packs contain 20 cigarettes and they don't have a brand variant printed on them.

"Since plain packaging was introduced the illegal tobacco black market has grown 25 per cent with a large surge of colourful branded packs.

"Last year more than 14.3 per cent of all tobacco consumed in Australia was illegal and smuggled into the country which cost the government \$1.1 billion in revenue.

"We now have illegal branded packs, counterfeit plain packs and large amounts of chop chop being sold on the black market across Australia.

"What's concerning is that the former government introduced fines of over \$300,000 for retailers found selling non plain packaging compliant tobacco and yet the Health Department's last annual report shows that they've not made one prosecution.

"The enforcement agencies do a good job but they obviously need more resources to try to stop the flood of illegal tobacco being smuggled across the borders while the Health Department needs to start enforcing its own laws at a retailer level."

Note to editors: High resolution images are available of the packs.

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