



The Brand Equity Protection Company™

**For Immediate Release**

## **S. G. Hart & Associates Comments on the Confronting of Counterfeiting in the Technology Industry.**

**Ridgefield, Conn., (September 27, 2005)** – S. G. Hart & Associates, LLC, The Brand Equity Protection Company™, was highlighted in KPMG’s weekly e-newsletter discussing counterfeiting as it relates to the technology industry. Stanley G. Hart, President & CEO, and Anthony M. Miano, Executive Partner, lent support to KPMG LLP in their assessment of the growing threat of brand protection loss in the information technology sector. The International Chamber of Commerce estimates that world-wide losses due to counterfeiting and piracy are estimated to be as high as \$600 billion dollars. The Alliance for Gray Market and Counterfeit Abatement (AGMA) and KPMG estimate that approximately \$100 billion of global IT industry revenue is lost to counterfeiters annually in their whitepaper titled “Managing the Risks of Counterfeiting in the Information Technology Industry.”

Stanley G. Hart, President & CEO of S. G. Hart & Associates, talks about how the threat to technology companies is real and growing. “There has been a change within the industry about the problem and the need to be proactive is getting much more attention.” Following the interview Hart remarked, “Industry leaders are calling upon their organizations to look for new ways to add value to their products for consumers given that competition from all quarters is becoming increasingly fierce. CEOs are beginning to realize that by recapturing lost revenue they can actually increase sales through existing channels and potentially save on warranty claims and false recalls.”

“Along with consumers, small-and medium-sized business are also vulnerable to buying counterfeit products, particularly monitors, printers and toner cartridges” according to Executive Partner Anthony M. Miano. Miano explained, “the larger enterprise customers will have direct relationships with larger manufacturers and are fairly secure about the product’s supply chain ...it’s the smaller companies trying to save money that tend to seek alternative markets where counterfeits can pop up [and quality issues arise].”

Mr. Hart concluded the article by saying that, “Counterfeiting is considered a form of fraud, so more companies are including the problem as part of their review of internal controls, which are part of the Sarbanes-Oxley Act (SOX) governing public companies.” We’re seeing that boards of directors have this on their agenda not only because of SOX, but also because of the damage this could do to a company’s brand and the liability [exposure]. Directors are very involved in this.”



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**About KPMG LLP**

KPMG is a global network of professional services firms providing Audit, Tax and Advisory services. We operate in 148 countries and have around 6,500 partners, 70,000 client service professionals, and 17,000 administration and support staff working in member firms around the world. KPMG's purpose is to turn knowledge into value for the benefit of our clients, our people, and the capital markets. Our member firms aim to provide clients with a globally consistent set of multidisciplinary financial and accounting services, based on deep industry knowledge.

**About AGMA**

The goals of the Alliance for Gray Market and Counterfeit Abatement are to protect the authorized distribution channels and intellectual property of authorized goods to improve customer satisfaction and preserve brand integrity. The Alliance is a nonprofit organization composed of companies in the technology sector. For more information, please visit [www.agmaglobal.org](http://www.agmaglobal.org).

**About S. G. Hart & Associates, LLC**

S. G. Hart & Associates, The Brand Equity Protection Company™, is based in Ridgefield, Connecticut, USA. S. G. Hart & Associates is a global brand protection consulting company helping clients develop and implement strategies that protect supply chains from the disruptions caused by counterfeiting, product diversion, tampering & theft. S. G. Hart & Associates ensures that the integrity of the firm's most valuable asset is secure, that the brand's ability to generate and preserve revenue is maximized and that effective controls are used to safeguard the branded asset against unauthorized or improper use.

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