

CBP, partners seize more than \$18 million in fake Gibson guitars in largest counterfeit musical instrument seizure on record

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U.S. Customs and Border Protection (CBP) Officers and Import Specialists assigned to the LA/Long Beach Seaport, in conjunction with U.S. Homeland Security Investigations (HSI) Special Agents, Los Angeles County Sheriff's Department (LASD) Investigators, and Gibson representatives, announced the seizure of over 3,000 counterfeit Gibson guitars with a manufacturer's suggested retail price (MSRP), had they been genuine, of \$18,742,820 (USD).

CBP officers in coordination with HSI special agents and LASD investigators intercepted the suspected cargo arriving in ocean containers from Asia. CBP's Consumer Products and Mass Merchandising Center of Excellence (CPMM) assisted in estimating the MSRP of the shipment. Gibson confirmed that the guitars intercepted were in fact counterfeit, nothing than authentic Gibson guitars are made in the U.S.A. only.

"These fraudulent guitars may look and feel legitimate for unsuspecting consumers buying them from third party online sources, street markets, unauthorized retailers, and person-to-person transactions," said Cheryl M. Davies, CBP Director of Field Operations in Los Angeles. "As we approach the busy Holiday shopping season, consumers should pay attention on where they are buying these goods and how much they are paying, and if is too good to be true it probably is."



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"Intellectual property theft is not a victimless crime. Victims are American consumers, businesses, trademark holders and people who manufacture and sell legitimate products. Often, the illicit proceeds resulting from the sale of counterfeit or unlicensed products are funneled back to support a broad range of illegal activities," said HSI Los Angeles Deputy Special Agent in Charge John Pasciucco.

"Counterfeit products harm legitimate businesses, erode consumer trust, and damage the reputation of iconic brands like Gibson. Beyond the economic losses, counterfeit goods often do not meet safety

or quality standards, leaving consumers at risk," said Los Angeles County Sheriff's Department Lieutenant William Kitchin.

"We are grateful for the hard work that our U.S. CBP officers, HSI special agents, and the Los Angeles County Sheriff's Department investigators are doing to stop counterfeiting," adds Cesar Gueikian, CEO of Gibson. "Our partnership is designed to help every agency work together to protect consumers and our fans from being misled into counterfeits."

"This is really emotional and personal for us not only because of the protection of our players, but because of our Gibson team at large, including the artisans at our craftories in Nashville, TN and Bozeman, MT, who are generations of American families that have dedicated their entire lives to handcrafting Gibson instruments," adds Beth Heidt, Chief Marketing Officer at Gibson. "As Gibson celebrates its 130th anniversary this year, we are proud of our legacy of quality and craftsmanship, legendary music partnerships with our artists, and our efforts to promote and create more musicians that continue to shape the sounds of generations of musicians and music lovers across every genre."

Counterfeit goods also threaten the health and safety of shoppers as they are often made of inferior materials, manufactured under uncontrolled and unsanitary conditions, and labeled with false information.

"Counterfeit goods fund criminal enterprises that engage in forced labor, smuggling, drug trafficking, and other illicit activities, said Africa R. Bell, CBP Port Director of the LA/Long Beach seaport. "Counterfeiters are only interested in making a profit – they do not care about you or your family's well-being or the well-being of our economy."

Enforcement Approach

To deter the importation of illicit goods and protect U.S. consumers and businesses, CBP has developed a proactive, aggressive, and dynamic enforcement approach to Intellectual Property Right (IPR) enforcement.

Nationwide, in Fiscal Year 2023, CBP seized 19,724 shipments containing goods that violated Intellectual Property Rights (IPR), this equates to nearly 23 million counterfeit goods. The total manufacturer's suggested retail price (MSRP) of the seized goods, had they been genuine, was over \$2.7 billion (USD). Seizures of counterfeit goods from China and Hong Kong accounted for 46% of counterfeit seizures and 84% of the value of counterfeit seizures.