

## Product Counterfeiting in Michigan and the Expectations and Priorities for State and Local Law Enforcement: Assessing the Awareness of and Response to the Problem

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*A-CAPPP Backgrounder*

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*The crime of product counterfeiting is growing in scope, scale, and threat. These threats impact Michigan residents, as they do others throughout the U.S. and the world. This Backgrounder presents results of a survey that questioned residents on their purchases of counterfeit products, their opinions on priorities for law enforcement, and their use of the Internet to purchase medicines.*

Michigan State University's State of the State Survey (SOSS) is a quarterly telephone survey conducted of approximately 1,000 adult citizens across seven regions in Michigan. The major goal is to assess public opinion on timely issues. The survey is administered by the MSU Institute for Public Policy and Social Research (IPPSR), which "connects scholarly work with the policymaking community through applied and survey research, community dialogue and political leadership training."

This Backgrounder reports research based on the Spring 2011 SOSS, which was conducted between May and July 2011 (see the end of this report for sample size and estimates of sampling error). Every SOSS gathers background demographic data and includes questions that gauge broad shifts in opinions about the economy, government, and general outlook. The remainder of the Spring 2011 survey covered six specific topics, two of which are relevant to this Backgrounder: (1) the perceived prevalence of counterfeit products in Michigan and citizens' views on the enforcement of related laws and (2) the purchase of medications via the Internet. The product counterfeit and law enforcement section included four main questions, with three detailed follow-up questions. The Internet medicines portion consisted of two main

questions and eight follow-ups. Beyond these 17 questions related to product counterfeiting, 21 questions were drawn from the demographic and general opinion sections for the purposes of this report.

The demographics of the survey respondents were representative of Michigan: average age 40 to 50; average income \$40,000 to \$90,000; 84% white and 9% black; political affiliation evenly split between Republican/Democrat/Other; 50% married, 26% single and never married, and 24% widowed or divorced; 43% employed full time; a portrayal of an educated population—33% with some college and 34% with a college degree.

### Major Findings

**Purchasing Counterfeits.** Most Michigan residents (80%) reported that they do not purchase products that they know are counterfeit, including apparel, handbags, and luxury goods. Eleven percent of respondents reported that they had purchased what they thought was a genuine product only to learn later that it was counterfeit.

**Expectations and Priorities for Law Enforcement.** Over half of the respondents (56%) thought that the State should do more to

fight product counterfeiting, and most of these individuals (52%) felt this way even if it meant increased taxes. However, most of these individuals did not support doing more to fight product counterfeiting if that effort took resources from other crime fighting activities (80%), or if it led to more probation for other types of criminals to offset the incarcerated counterfeiters (72%). When the full survey population was considered, including those who **did not** think the State should do more to address the threat, support for higher taxes to combat counterfeiting was less than one third (27%). Nearly three quarters of Michigan citizens objected to incarcerating counterfeiters if it meant releasing other types of criminals.

**Internet Medicines.** Only a few respondents reported purchasing medicines over the Internet **with** a prescription (5%), and just a fraction of those made more than 12 total purchases (0.6%). Very few respondents (0.4%) reported purchasing medications on the Internet **without** a prescription, and many of those who did stated that they were self-treating what they considered to be a common medical condition. Most of those who purchased medicines online (65%) used websites recommended by what are

considered reputable sources (e.g., insurance company, doctor, or employer). About a quarter of respondents (26%) exhibited what could be considered risky behavior in how they found Internet medicines (e.g., buying from websites found in an unsolicited “spam” email).

These results provide important insights into the perceptions of Michigan citizens regarding the threat of counterfeit products, how the State should respond to this problem, and at what resource expenditure. A follow-up study—an annual longitudinal analysis of these survey items—also funded by IPPSR will continue this study with an additional survey in 2012. This further report is forthcoming.

*SOSS Spring 2011 details: A split sample approach included random digit dial samples of phone numbers (60%) and re-interviews of previous participants who had agreed to continue participation (40%). The sampling error was 3.2 percent statewide (947 interviews), ranging from 7.2 percent to 13.1 percent within the seven regions (57 to 187 interviews per region). The sample was weighted to represent the adult population of Michigan.*

## Acknowledgement

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The Michigan State University Anti-Counterfeiting and Product Protection Program (A-CAPPP) is the first and preeminent academic body focusing on the complex global issues of anti-counterfeiting and protection of all products, across all industries, and in all markets, and on strategies to effectively detect, deter, and respond to the crime. Linking industry, government, academic, and other stakeholders through interdisciplinary and translational research, education, and outreach, the A-CAPPP serves as an international hub for evidence-based anti-counterfeit strategy. For more information and for opportunities to partner, contact Dr. Jeremy Wilson, Director of A-CAPPP at (517) 353-9474 or JWILSON@msu.edu. Additional information can also be found at <http://www.acappp.msu.edu>. For further information related to this topic, contact Dr. John Spink at (517) 381-4491 or SPINKJ@msu.edu.