

**WASHINGTON, DC -- The Center for Responsible Enterprise and Trade (CREATe)** has released a white paper outlining the pervasiveness of counterfeit products within global supply chains.

The report, titled [\*Health and Safety Risks from Counterfeits in the Supply Chain\*](#), highlights a number of examples where counterfeits have infiltrated supply chains in industries including defense, food, transportation, and pharmaceuticals. Cases include:

- A recent U.S. Senate committee report described 1,800 known cases of suspect counterfeit electronic parts in the defense supply chain, supplied by more than 650 companies.
- Up to 40 million prescriptions are filled with counterfeits each year in the United States.
- The FAA has estimated that more than 520,000 counterfeit parts are installed on planes each year.
- Mattel recalled approximately 2 million toys and paid a \$2.3 million civil penalty for importing Barbie accessories, die-cast toy cars, and other toys coated in toxic lead paint, exposure to which can stunt children's mental and physical development. The company traced the problem back to Chinese companies that had supplied tainted paint to Mattel's contract manufacturers in China.

To combat this growing trend, the whitepaper provides leading practices for organizations to implement to strengthen the integrity and security of their supply chains as a vital part of establishing flexible, efficient and cost-effective solutions. These include:

- Foster greater cooperation, coordination, and accountability among all participants;
- Increase information sharing to strengthen supply chain integrity;
- Include provisions in supplier contracts that facilitate and improve oversight;
- Calibrate supplier assessments according to the risk level; and
- Ensure that supplier requirements flow down to subcontractors.