



## PRESS RELEASE

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### **SEMICONDUCTOR INDUSTRY LAUNCHES ANTI-COUNTERFEITING CAMPAIGN**

#### ***Campaign targets illicit suppliers of components***

**San Jose, CA – April 23, 2008** – The Semiconductor Industry Association (SIA) today released a directory of authorized distributors to help combat the growing problem of counterfeit components entering the supply chain. The directory is part of a larger campaign that involves working with customs authorities to seize counterfeits at the borders and encouraging the authentication of legitimate products.

“Counterfeiting is a serious and growing problem in the worldwide electronics industry,” said SIA President George Scalise. “The recent seizure of more than 360,000 counterfeit integrated circuits and computer network components in a joint effort of customs agencies of the United States and the European Union is evidence of the size of international traffic in illicit electronic components. Counterfeit products pose a significant risk to consumers as well as to the manufacturers of semiconductors and electronic products.”

SIA and its members assisted U.S. and European customs officials in gathering information leading to the seizure of the counterfeit goods. The SIA is also working with the Semiconductor Equipment and Materials International (SEMI) on a standard to encourage the use of authentication service providers who offer “license plates” that can be attached to containers of chips to help alert buyers to potential counterfeits.

Both the end user and the semiconductor manufacturer suffer as a result of the use of counterfeit components.

- Consumers do not get what they pay for. Computer purchasers may believe they are getting a system with fast chips, but in reality they are getting remarked chips that deliver slower performance with an increased risk of failure.
- Systems manufacturers in all industries suffer damage to their reputation when a product fails or does not perform according to expectations, causing property damage or loss of life.
- Fraudulent warranty returns result in costly failure analysis and problems when equipment manufacturers seek replacement of failed components purchased through illicit suppliers.

- Semiconductor manufacturers' reputation and profitability, as well as brand equity are harmed by counterfeit products.

"Counterfeit products can create significant reliability problems for end systems," said John Sullivan, chairman of the SIA Anti-Counterfeiting Task Force (ACTF) and Director of Worldwide Security for Texas Instruments. "Remarked products are the most common counterfeit devices. These products often have false labels, damaged or missing die, and inferior packaging materials. The use of counterfeit products in systems such as computers and network systems can lead to costly failures. If such components find their way into aircraft, automotive, or medical equipment, failures can have tragic results."

"One sure way to protect against using counterfeit or substandard components is to purchase them from the original manufacturer or an authorized distributor," said Curt Gerrish, Founder and CEO of Rochester Electronics. "The *2008 Official Manufacturers' Distributor Authorization Reference Manual* makes it easy for buyers to quickly find the manufacturers' authorized distributors." With the support of the SIA, Rochester published the authorization manual to create a central repository for this information. "This will be the 'phonebook' for purchasers of components," continued Gerrish. "The information will be updated on a regular basis at a dedicated website. It's a living document." For a copy of the printed reference manual, e-mail your request to [authorizedguide@rocelec.com](mailto:authorizedguide@rocelec.com). The site, [www.authorizedcomponents.com](http://www.authorizedcomponents.com), will link from [www.sia-online.org](http://www.sia-online.org), [www.rocelec.com](http://www.rocelec.com) and other participating manufacturers.

### ***About the SIA***

The SIA is the leading voice for the semiconductor industry and has represented U.S. semiconductor companies since 1977. Collectively, the chip industry employs a domestic workforce of 225,000 people. More information about the SIA can be found at [www.sia-online.org](http://www.sia-online.org).

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