



**Counterfeit
Cigarettes
2004**



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**Foreword by John Healey MP,
 Economic Secretary to the Treasury.**

At the start of 2000 it was estimated that the problem of tobacco smuggling would continue its rapid growth, and that – by the end of 2002 – one out of every three cigarettes smoked in the UK would be smuggled.

Instead, as a result of our Tackling Tobacco Smuggling strategy, we have reversed the growth in cigarette smuggling and reduced the revenue lost to Government through cross-Channel passenger smuggling of alcohol and tobacco by more than 80 per cent.

By doing so, we have not only saved billions of pounds for investment in our public services, but also struck a significant blow against organised crime and helped protect the rights of honest shopkeepers throughout the country.

But while we are achieving success against the smugglers, we can never relax our guard because the criminals react rapidly to Customs' enforcement measures. In particular, we need to take concerted action against a growing and pernicious problem: the sale of dangerous counterfeit cigarettes on our streets.

As this report shows, our success in squeezing the smugglers' margins and disrupting their supply lines has driven them increasingly to manufacture their own fake cigarettes, many with around twice the tar, nicotine and carbon monoxide of ordinary cigarettes and often containing other hazardous toxins like cadmium, arsenic and lead.

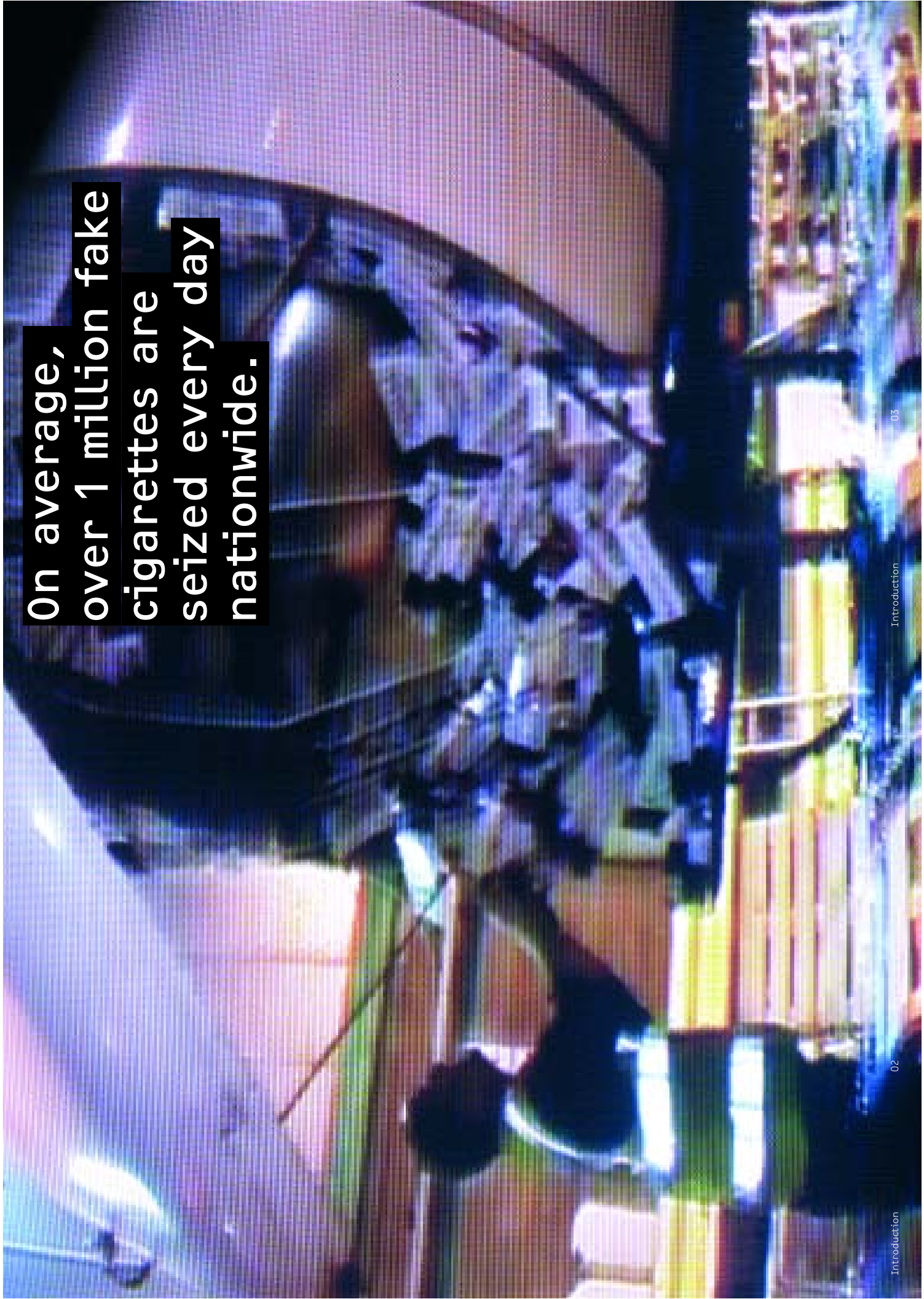
It's now estimated that more than half of all the smuggled cigarettes being sold on street corners and in pubs are really counterfeit product. It's always been illegal to buy cigarettes from smuggled sources – but this report shows it can now also be downright dangerous. Staggeringly, eighty-five per cent of cheap cigarettes sold illegally on the Capital's streets and more than half of all smuggled cigarettes seized nationally are counterfeit.

Customs will continue to crack down on this illicit market and step up action against the organised criminals who run it. But now more than ever, we would appeal to the public at large to turn their backs on the gangs who smuggle and sell these fake cigarettes, and give us any information which will help us catch them.



John Healey

**On average,
over 1 million fake
cigarettes are
seized every day
nationwide.**



There are more fake cigarettes on the high street than ever before, seizures are up and the increased volume means health risks are increasing.

Sales of counterfeit cigarettes are a growing problem in the UK. More than one in two smuggled cigarettes seized by Customs are counterfeit. And yet the British public is largely still unaware there's a problem.

More than half of all UK smokers haven't heard of counterfeit cigarettes, according to recent Customs' research¹.

More worryingly, smokers who admit to buying cheap packets are no more likely to have heard of counterfeit cigarettes than others.

There's a large gap between the perception and reality of the problem amongst the one in three UK smokers who, according to Customs' research, sometimes buy cheap cigarettes.

On the street, only one in five smokers think their cheap packs are fake.

Most fake cigarettes seized by Customs have the 'health warnings' on the packet, including some with the 'duty free' or 'UK duty paid' markings.

Confusion also reigns over the origins of counterfeit cigarettes – 23 per cent think fake cigarettes are most likely to be from Western Europe. Only 9 per cent correctly identify China as a key source.

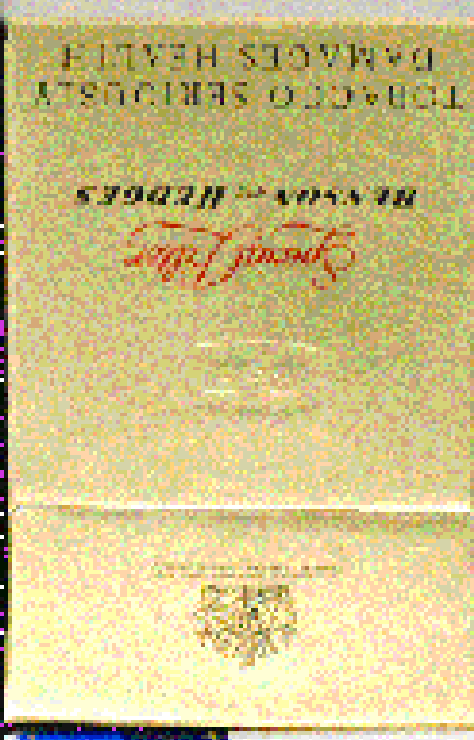
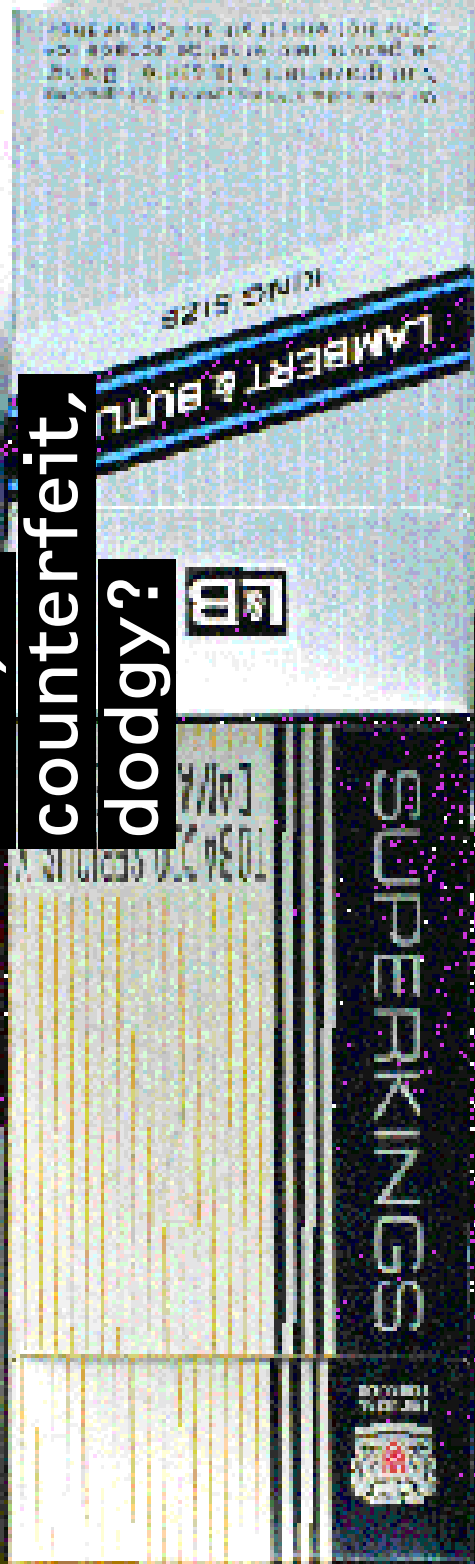
And the public are also unaware of the characters behind the counterfeit cigarette production line. Nearly half of all smokers don't know that the profits from fake packs go to serious criminal organisations.

This Handbook sets out to answer some of the questions about this growing threat, including the scale of the problem, the health implications of smoking counterfeit cigarettes, where they come from, who sells them, who buys them – and how Customs is waging this ever-increasing battle at the nation's ports and on the high streets.

¹ RSGB public omnibus over four weeks in May 2004. From a contact sample of 8,000 adults over 16 years, 1,844 smokers of ready-made cigarettes were interviewed to investigate attitudes and buying behaviour with regards to counterfeit cigarettes.

85% of cheap cigarettes in London are counterfeit, a massive 65 per cent of smokers in the capital are mistakenly convinced their cheap supplies are real – believing they are buying 'duty free' or 'duty paid' cigarettes.

Fake, counterfeit, dodgy?



**A growing problem
The UK is being targeted
with counterfeit cigarettes.
Not to be confused with
genuine cigarettes,
these fake cigarettes
are manufactured illicitly,
contain higher levels
of toxins than their legal
counterparts, and are
smuggled into the country
by criminal gangs to be
sold cheaply nationwide.**

What do we mean by counterfeit or fake cigarettes? Fake, or counterfeit, cigarettes are cigarettes that are made to look like the real thing but are really cheap imitations not made by genuine manufacturers – like cheap perfume sold at street markets in fake brand-name bottles and packaging.

Is the problem getting worse? In 2003–04, 54 per cent of Customs' national cigarette seizures* were counterfeit compared with only 15 per cent in 2001–02 – that's more than a threefold increase in two years.

| Breakdown of national cigarette seizures % | | | |
|--|---------|---------|---------|
| Product | 2001–02 | 2002–05 | 2003–04 |
| Counterfeit | 15 | 41 | 54 |
| Genuine | n/a | 31 | 28 |
| Other* | n/a | 28 | 18 |

* Includes non-UK brands and those seizures not identified as genuine or counterfeit, or those consisting of mixed brands not separately identified.

Data collected by the tobacco industry and Customs indicates that these cigarettes are a significant and growing problem. Whilst work is continuing to determine the exact size of the market, current estimates suggest that around a quarter of the smuggled cigarette market is counterfeit.

Moreover, the supply of cheap fake cigarettes makes it harder for the NHS to reduce smoking prevalence, especially among young people and those on lower incomes. The availability of these cigarettes means that more people in these groups are likely to take up the habit or find it harder to quit.

What brands?

Any brand of cigarette can be faked and indeed Customs have seized many different brands including Lambert & Butler, Benson and Hedges, Embassy No 1, SuperKings, Dunhill, Marlboro, Regal, L&M, Davidoff, Sovereign and Silk Cut to name a few.

Why is this happening?

The illicit cigarette market is dynamic. Criminals move fast and react quickly to Customs' measures. As Customs are working successfully to squeeze the profit margins of the smugglers and disrupt their international supply chain for genuine cigarettes, so the criminals are turning to cheap fakes as an alternative source of cigarettes to smuggle.

And the counterfeit trade is proving to be very profitable for criminals. Customs estimate that nearly £2.00 profit can be made per pack by those involved in their smuggling, distribution and sale.

**'A bit like cheap perfume
you get at street markets
that looks like it's a famous
scent but really it's a fake
and smells nothing like
the real thing.'**

Despite Customs' success in tackling the smuggling problem, nationally over 10 billion smuggled cigarettes¹ are still sold each year, making a £1 billion profit for the criminals.

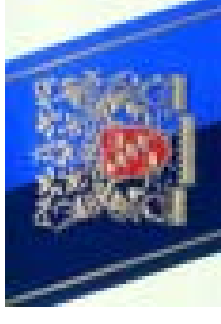
Although fake cigarettes are a nationwide problem, one of the centres can be found in London.

On average, 85 per cent of all cheap cigarettes sold illegally on the capital's high streets are fake.

Customs' investigations at one London street-selling site revealed that each street trader can sell anything up to 150 packs per day on a Friday and Saturday and approximately 20 every day during the rest of the week. With a team of up to 16 sellers per high street, that's a profit of nearly £13,000 a week made largely from selling fake cigarettes to unwitting customers.

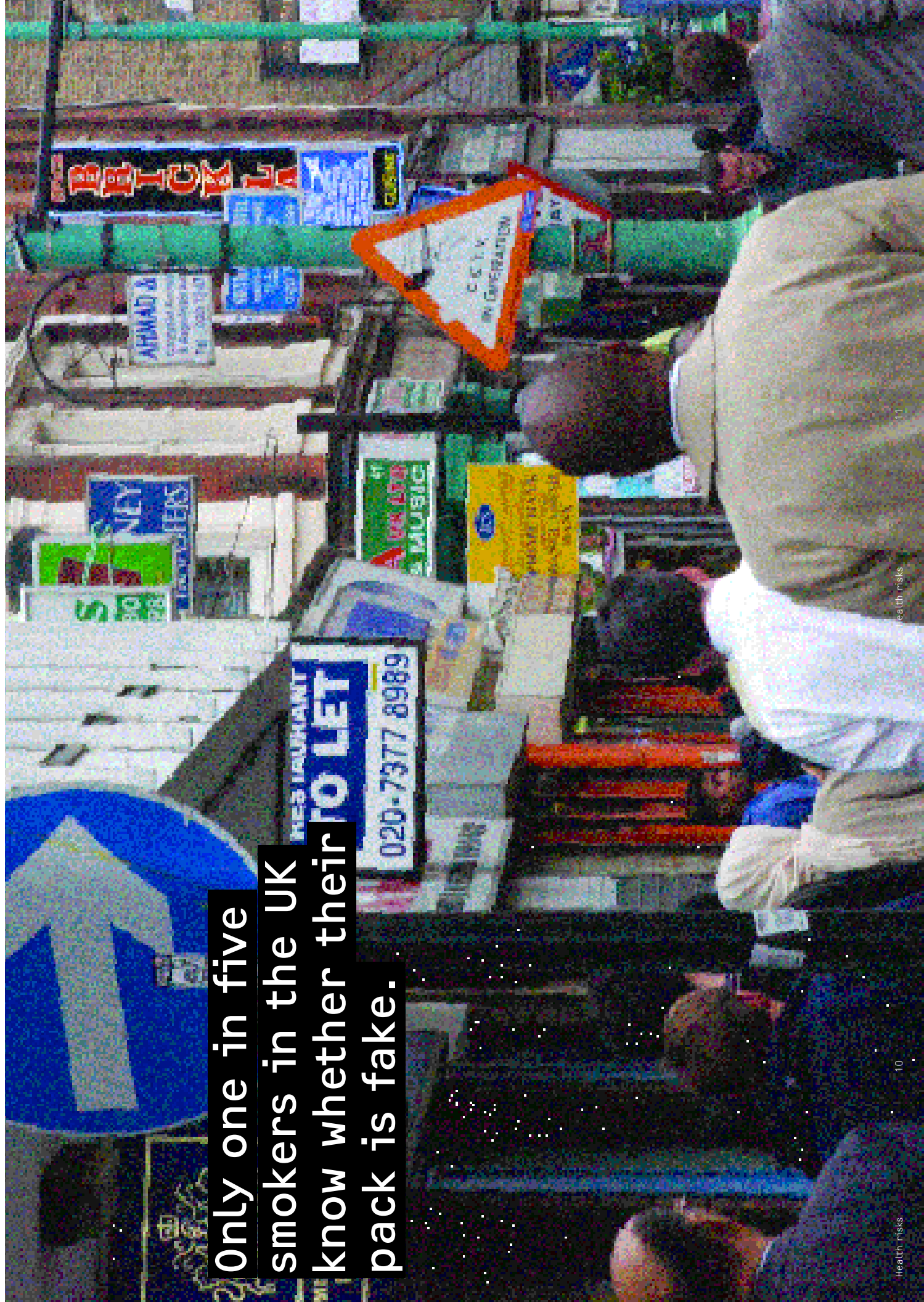
¹ Customs' figures for national seizures over 500,000 individual cigarette sticks

² Measuring and Tackling Indirect Tax Losses, December 2003



Spot the difference?

Only one in five smokers in the UK know whether their pack is fake.



Health risks
'Counterfeit cigarettes
have the potential to deliver
consistently high levels of
heavy metals to the lungs of
those who habitually smoke
them. Many of these accumulate
in the body over time. This
phenomenon has only recently
been recognised and the
health risks are presently
unknown, but there is enough
evidence to be concerned.'

Dr Shayer, Toxicologist
for Tobacco Policy Team,
Department of Health

A fake cigarette lights up a whole new set of risks for the smoker. In addition to the well-documented dangers of a genuine pack, there's a host of other hazards to be found in the counterfeit carton – from higher levels of cancer-causing carcinogens to extra tar.

The cigarettes could have come from any number of illegal factories from China to Poland. The smoker has no way of knowing when, where or how the counterfeit pack in their hand was produced. In short – they just don't know what's in it.

Tests on counterfeit hauls revealed the cigarettes contained up to:

- 160% more tar
 - 80% more nicotine
 - 133% more carbon monoxide*
 - 5 times the level of cadmium
- (a carcinogen linked to lung, kidney and digestive tract damage) than their genuine counterparts.

* Arista Laboratories
 Agency for Toxic Substances
 and Disease Registry –
www.atsdr.cdc.gov

Cadmium

Breathing high levels of cadmium severely damages the lungs. Long-term exposure to lower levels of cadmium in air, food or water leads to a build up of cadmium in the kidneys and possible kidney disease. Other long-term effects are lung damage and fragile bones.

Cadmium stays in the body a very long time and can build up from many years of exposure to low levels.

Dr. Ed Stephens, a scientist at St Andrews University, has been comparing samples of counterfeit cigarettes with their genuine equivalents and has shown higher levels of some dangerous toxins in fake cigarettes that are consistently present over a sampling period of one year. These are additional to the extra tar, nicotine and carbon monoxide identified by other laboratories. As he explains:

"Our results indicate that counterfeit cigarettes in the UK contain on average three times the levels of arsenic, five times the cadmium and nearly six times the lead found in genuine brands. All three toxins are listed by the International Association for Research in Cancer (IARC) as carcinogens, the first two being classified as 'definitely carcinogenic to humans.'"

Arsenic

Breathing in even tiny quantities of arsenic can cause nausea and vomiting, decreased production of red and white blood cells, abnormal heart rhythm, damage to blood vessels and a sensation of "pins and needles" in hands and feet.

Several studies have shown that arsenic can increase the risk of lung cancer, skin cancer, bladder cancer, liver cancer, kidney cancer and prostate cancer.*

Lead

Lead can affect almost every organ and system in the body. The most sensitive is the central nervous system, particularly in children. Lead also damages kidneys and the reproductive system. Children are more vulnerable to lead poisoning than adults. Even at much lower levels of exposure, lead can affect a child's mental and physical growth.

Exposure to lead is more dangerous for young and unborn children. Harmful effects include premature births, smaller babies, decreased mental ability in the infant, learning difficulties and reduced growth in young children. These effects are more common if the mother or baby was exposed to high levels of lead.*

* Agency for Toxic Substances
 and Disease Registry
www.atsdr.cdc.gov



**If only you
knew what was
in them.**



The reality

'You never know what the hell you're buying, you're taking a big chance.'

'They make you cough'

'Make your lips burn'

'Taste of glue'

There is a widespread lack of public awareness about counterfeit cigarettes: around 81 per cent of smokers questioned think they are smoking the real thing or admit they wouldn't know how to tell the difference. Only one in five smokers know their pack is fake saying they can tell mainly by the difference in general quality. Customs' research¹ revealed 78 per cent of smokers said that their counterfeit cigarette didn't taste the same as a genuine one, whilst 25 per cent said the cigarettes themselves fell apart more quickly and had paler filters.

More often than not, the buyer has to light up before realising they don't know what they're smoking, as the packaging looks so authentic. According to the research, the outside pack was the least-likely indicator of the carton being fake.

However, in general, one in five smokers in the UK admit they wouldn't be able to identify the fake.

Most smokers still think the cigarettes are 'real' and are unaware of the unknown risks in counterfeit cigarette packs.

Aside from the statistics, what do smokers themselves say about their experiences with counterfeit cigarettes?

Some smokers felt that the cigarettes 'had not been right' – but most attributed the peculiar taste down to:

'The time of day or just a one off, or maybe old cigarettes.'

And reported the following effects:
'They make you cough'
'Make your lips burn'
'Taste of glue'


In one case, a 'dodgy packet of Embassy' caused vomiting and a day in bed.

The few smokers who were able to recognize that they were smoking counterfeit cigarettes had the following to say:

'They're not quality. They smell different, they taste different, they're too harsh and they don't draw easily. I won't buy them again.'

¹ The RSGB public omnibus over four weeks in May 2004. From a contact sample of 8,000 adults over 16 years, 1,844 smokers of ready-made cigarettes were interviewed to investigate attitudes to and buying behaviour with regards counterfeit cigarettes.





**Customs at Felixstowe
discovered seven
million counterfeit
cigarettes in a
shipment of computer
cases from China.**

Tracing the source
Every time a smoker hands
over £2.50 for a packet
of counterfeit cigarettes,
they're helping organised
crime. To understand
how their money supports
other criminal activities,
we have to journey back to
the source of their fake
cigarette pack.



The production process
Every year, illegal factories in China, the Far East, Russia and Eastern Europe are churning out hundreds of millions of fake cigarettes destined for the UK.

Customs at Felixstowe discovered 7 million counterfeit cigarettes in a shipment of computer cases from China. The haul was similar to four previous loads, resulting in the seizure of approximately 28 million counterfeit cigarettes.

A smoker's perception of counterfeit cigarette production may be that of a large-scale manufacturing plant as seen in the UK and world-wide. In reality, the story is somewhat different.

Counterfeit cigarette production plants can be found almost anywhere, with fake cigarettes being unearthed in a variety of locations throughout the target countries – and the authorities are finding new ones every day as criminals move quickly to cover their tracks and avoid detection.

Typically, processing machinery can be found in industrial units or can be hidden away in old warehouses, lock-ups and even in homes. But it's not unusual to find whole villages involved in the counterfeit industry in remote areas of China.



Entrance to the Fujian underground factory.





Inside the Fujian underground factory

Counterfeit underworld
A recent raid in Fujian province in China uncovered an illegal cigarette factory that was quite literally underground. Hidden several metres below a local village pathway, cigarette-making machines, filters, tobacco and papers were found in the illegal den. The factory was churning out hundreds of thousands of fake Benson and Hedges.

The people responsible for producing counterfeit cigarettes belong to a shady underworld of gangs and organised crime. And the characters involved can be as diverse as the cigarettes' source.

Some smuggling groups resemble tightly controlled 'mafia'-style organisations, in which there are clear chains of command and communication. Others are loose networks of criminals who come together for various stages of the production and distribution process. However, given the level of organisation needed to smuggle cigarettes into the country, counterfeit cigarettes tend to attract the more serious criminal with the logistical capability to pull off the job, and the right contacts⁶.

Wherever the fraudster comes from and however he works, he will most likely be involved in a number of other criminal ventures at the same time. It's more profitable to combine cigarette smuggling with other 'jobs', for example, prostitution, fraudulent land deals, fake currency and alcohol bootlegging.

So the smoker who buys counterfeit cigarettes helps support an entire criminal network of activities.

Furthermore, Customs' evidence suggests the criminals have become increasingly sophisticated in response to the advanced methods used to trap them – from Customs' investigation techniques to detection technology.



PG Tips. 'Smugglers increasingly 'clone' legitimate companies details and products to try to avoid investigation techniques. In this case, not only was the hand rolling tobacco found to be counterfeit but also so were the PG Tips boxes in which it was concealed.'

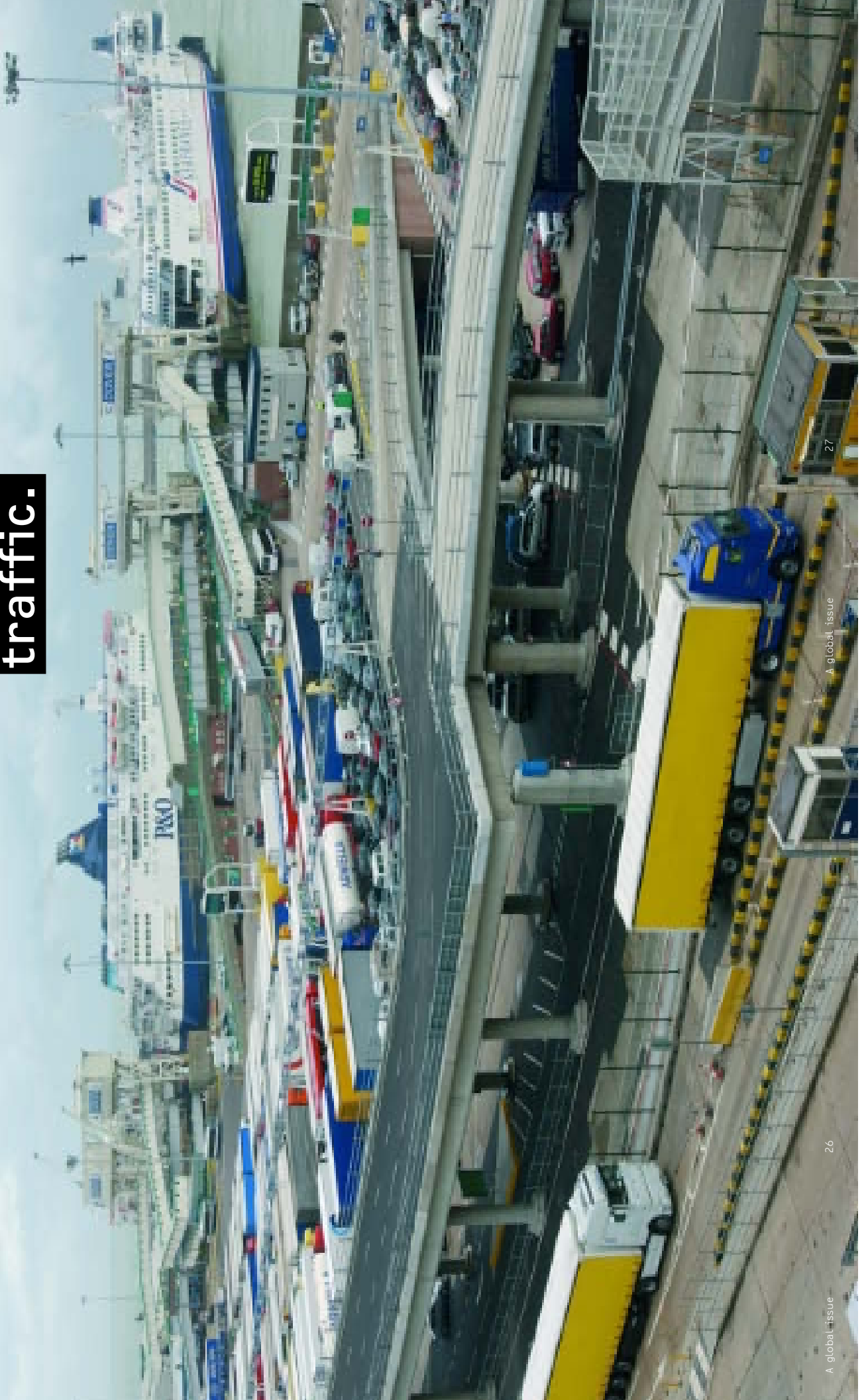


Polish peas. 'Smugglers use various methods, such as filling the tins with sand, to try and overcome detection technology.'

⁶National Criminal Intelligence Service, United Kingdom Threat Assessment of Serious and Organised Crime 2003.

'At anything other than the lowest level, the smuggling of cigarettes is not possible without some degree of criminal collaboration and infrastructure.'

Global counterfeit traffic.



A global issue

From the tobacco plant, to the factory, to selling on the streets, the journey for a counterfeit cigarette is a long one with many different twists and turns.



Global Journey

01/The Tobacco

Grown and harvested all over the world, from China and India, Brazil, Turkey to the USA, tobacco is bought and sold like any other legal commodity. However, some tobacco crops contain high levels of heavy metals and as such are not used by the legitimate tobacco manufacturers. The counterfeit cigarette manufacturers have no such scruples and as such are able to buy these unwanted crops cheaply.

02/The Factory

The tobacco could be used to make counterfeit cigarettes in small, illegal factories anywhere from China to Eastern Europe. These could be anything from underground botholes where the cigarettes are packed by hand to more sophisticated production lines with large-scale facilities.

03/Getting into Europe

The fake packs will be transported via legitimate trading routes, perhaps from China or the Middle East if they've been produced outside Europe. Once goods arrive in ports such as Dubai in the UAE or Mersin in Turkey, they can easily be transported to anywhere in Europe.

04/In Europe

Once in Europe, distribution will mirror legitimate trade commerce, with a network of distributors, wholesalers and dealers.

05/Into the UK

The fake packs are likely to have been smuggled into the UK concealed in a bulk goods container that can be placed directly on to trucks for easy delivery. Often crossing many national boundaries without detection, the container will have been declared to Customs as furniture, vegetables or something equally innocuous. A 40 feet container could hold up to 8 million cigarettes but typically smugglers will pack 2-3 million with the remainder being a cover load.

06/At the salespoint

If the fake cigarettes have evaded Customs' controls and found their way into the country, they will be transported to an illicit wholesaler who may have access to a wide range of counterfeit and illegal goods. From there, there are many ways to get them onto the high street and into people's pockets – whether via street sellers on the pavement, markets or car boot sales, or 'friends' with access to smuggled supplies.

Counterfeit capital.



A seller's market

Some of the capital's hotspots for counterfeit cigarette street selling are Holloway Road, Whitechapel Road, White Cross Street and Dalston, Chapel Street and Hackney Wick.

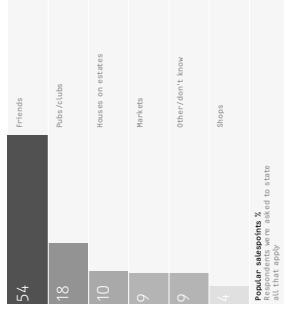
Once the counterfeit cigarettes have been successfully smuggled into the UK, where are they usually sold?

Popular salespoints

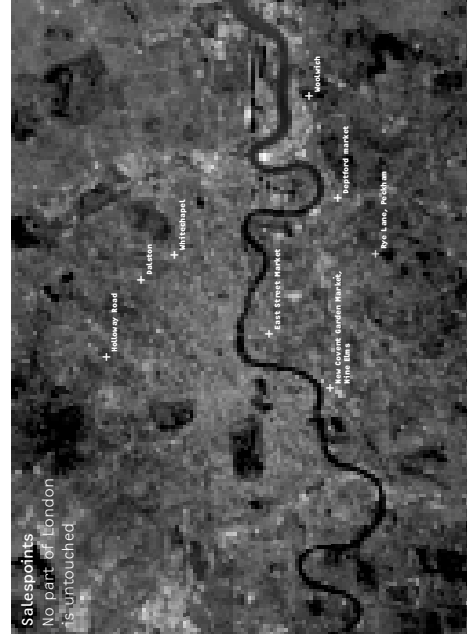
'Friends' and contacts linked to the counterfeit cigarettes underworld are usually the main suppliers. Recent Customs' research* reveals that approximately one in two illegal packs (54 per cent UK, 50 per cent in London) are bought from friends.

The other most popular UK salespoints are pubs, clubs, houses on estates, markets and shops.

Customs' hauls from all of the capitals sites revealed the majority of the cigarettes tested were counterfeit. Although results varied slightly between the locations, on average 85 per cent of packs seized were fake.



100% of the haul in Holloway Road, Dalston and Whitechapel Lane were counterfeit.



And most of the major brands are being sold, as Benson and Hedges, Marlboro Lights, Superkings, Silk Cut, Dunhill International and Rothmans packs were all recovered in the operation.

The fast-paced nature of the market and the fluid mobility of its criminals mean that today's hotspots could soon become tomorrow's old news.

A typical street-selling pitch is organised as follows:

Cigarettes are transported to the area by car in batches of 4,000 to 5,000. The car is parked a safe distance away while the gang gets on with the day's sales. The supervisor ensures each seller has supplies of all the popular brands and that they're kept topped up at regular intervals.

Sometimes the supervisor arranges for the cigarettes to be delivered from the car directly to the seller. Occasionally the 'fake packs are hidden in a nearby stash for extra security. Customs officers recently found hundreds of cigarettes hidden in a hole dug out in a front garden.

If Customs or the police arrest the sellers, the supervisor can have a replacement gang on the streets within hours.

* 2002-2003 HMCE figures

**Our fight on
the front line,
port-side.**

Our fight Over 2000 frontline officers, state of the art scanning, trucks and technology, sophisticated intelligence, regional taskforces and specialist prosecution teams worldwide.

Customs officers are on the offensive against the tobacco fraudsters who smuggle counterfeit and genuine cigarettes. In the past four years, they have helped:

- Reduce the number of cigarettes to just 15% of total UK consumption, reducing the illicit market in cigarettes by nearly 30% from its peak;

- Reduce the volume of cigarettes successfully smuggled into the UK by over 5 billion – a drop of over 30% since 2000;

- Seize 7.3 billion illicit cigarettes destined for the UK market from 2000–03;

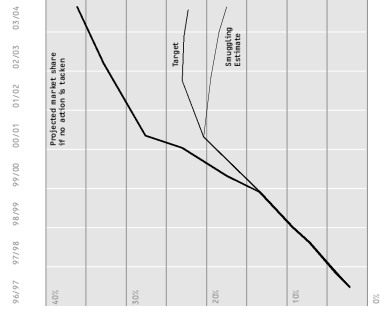
- Break up 190 major tobacco smuggling gangs;

- And protected £3 billion for the taxpayer.⁹

Tobacco Strategy

The Government's March 2000 Tackling Tobacco Smuggling Strategy¹⁰, aimed to slow, stabilise and reverse the growth of the illicit cigarette trade. The £209 million strategy employed an extra 1,000 frontline officers in the fight against smuggled cigarettes (genuine and counterfeit), introduced state-of-the-art 'scanning' trucks to x-ray the contents of suspect lorries and set targets to be met by sophisticated intelligence techniques. Customs now have a target to reduce the number of smuggled cigarettes to just 13 per cent of UK consumption by 2007-08.

Market share of smuggled cigarettes %



⁹ Available from www.hm-treasury.gov.uk

¹⁰ Available from www.hm-treasury.gov.uk

The officers

Working in national and regional taskforces, multi-skilled teams specialise in investigation and detection techniques to seize counterfeit hauls, break supply chains, bring criminals to court and build up detailed intelligence on the illicit market. As well as targeting those who organise and finance the smuggling and countering trips, they carry out targeted checks on lorries, markets, traders and wholesalers.

Typical operations in which intelligence, frontier and prosecution teams work together to bring criminals to justice are as follows:

- Six men were jailed at Luton Crown Court for conspiring to smuggle 9 million counterfeit Benson and Hedges cigarettes into the UK in a container of rice noodles. Customs officers arrested the six as they unloaded a freight container into an industrial storage unit in Bedford. The container had been previously imported from the Far East into Felixstowe, where the cigarettes were detected. Customs officers then followed the container to the unit in Bedford.

- Three men were jailed at Hereford Crown Court after pleading guilty to smuggling counterfeit Regal cigarettes worth £276,240 into the UK following a Customs investigation. Two of the men, a farmer and a lorry driver, were arrested by Customs officers in Redditch as they unloaded ten pallets of unmarked boxes from a HGV that one of them had just driven from Italy via Dover. Examination of the boxes revealed they contained 2 million counterfeit Regal cigarettes.

⁹ Available from www.hm-treasury.gov.uk

¹⁰ Available from www.hm-treasury.gov.uk

Action Week, from the Independent Retail News, has produced a 'training guide' 'Spotting Bootlegged Goods' and continually encourages their readership to contact customs when they see or hear of anyone who may be selling illegally imported alcohol or tobacco.

The Tobacco Alliance has agreed to help Customs carry out research, drawing on trade information to identify hotspots and assess the impact of local activity.

Working with others

Officers work alongside Police, Benefits Agency and Immigration, other Government Departments, the European Commission and other customs organisations in the fight against counterfeit cigarettes.

In April 2002, an organised, international smuggling gang was sentenced to over 19 years for smuggling over 354 million genuine and counterfeit cigarettes into the UK, cheating the UK taxpayer out of an estimated £50 million.

Customs Law Enforcement officers, in a joint operation with MI5, foiled the gang following an intensive undercover operation lasting 13 months, working with European and overseas law enforcement agencies to track and snare the smuggling gang.

Customs protected a further £165 million in tax by seizing cigarettes in Netherlands, Italy, Belgium, France and the Republic of Ireland that were destined for illegal sale in the UK.

The gang had connections with criminals in Ireland, Gibraltar and Italy and sourced cigarettes from the EU and Developing World countries. They then shipped the cigarettes to warehouses in Europe where they repacked the cigarettes in lorries and freight containers with innocuous, legitimate commodities such as BBQs, plywood and china. The lorries and containers were then dispatched to smuggle the cigarettes into the UK.

Once the cigarettes were in the UK, they were moved to warehouses across the country, broken down to smaller loads before being transported to customers.

Extensive Customs' surveillance established a large network of transport companies, distribution sites and customers involved in the fraud. Following a delivery to a site in Kent, Customs Officers moved in to seize cigarettes and arrested two of the principals. Following further arrests and property searches throughout the UK, Customs succeeded in dismantling the criminal organisation.

Two addresses searched were in Newry, Northern Ireland. The suspects were alleged to be some of the principal organisers of this fraud but were outside UK jurisdiction at the time and could not be arrested. One suspect has subsequently been extradited from Turkey to the Netherlands where he awaits trial in connection with cigarette smuggling. The second suspect was found murdered last year in a field in Northern Ireland.

Customs estimate that in a one-year period of illegal activity, up to £50 million in cash passed through the hands of the gang. This is an example of how highly-organised, professional, criminal gangs are involved in the smuggling of cigarettes on a massive scale. Customs are determined to tackle these organisations using all means at its disposal including, as in this case, working jointly with other agencies both in the UK and abroad to achieve maximum impact.

Another key partner is the trade itself. Retailers are feeling the knock-on effect of cigarette smuggling, losing out on other sales because many customers are no longer buying their cigarettes from their local store. Nearly half of retailers (48%) said regular customers were no longer buying cigarettes from them with nearly 27% saying those customers only 'sometimes' or 11% 'rarely' used their store at all. In addition, 24% of independent retailers have been offered counterfeit cigarettes compared to 15% in 2002-03.¹¹

Retailers are working with Customs to tackle the problem. Customs are working with various trade organisations, such as the Tobacco Alliance (Retailers Against Smuggling) and Independent Retail News to unearth and swap information on tobacco smuggling.

¹¹ Independent Retail News 2004 survey carried out with 510 licensed independent retailers

Case studies

Customs' operations

Senior Investigation Officer, London, UK

"I lead a team of officers in counterfeit cigarettes intelligence. My day revolves around investigating tip-offs and having meetings with various agencies and companies involved in the tobacco manufacturing process so we continue to make our presence felt throughout the industry.

"We receive a lot of intelligence – the challenge is sifting through it all to find a real gem of a lead. I could arrive at work to find an email from one of our officers abroad, say for example in Moscow, passing on information from Russian Customs about a counterfeit cigarette factory. My team would need to find out what the factory's impact on the UK would be and if it were producing British branded cigarettes. If the factory ended up being raided, we would want to be there to see what intelligence we could track back to the UK. The details we unearth are then passed on to intelligence, detection and prosecution teams.

"For example, if we received a tip-off about a suspect container due to arrive in the UK, we'd pass on the details to officers at the frontier to stop the lorries as they're entering the country."

Anti-Smuggling Officer, Coqueles, France

"My job on the frontier involves intercepting vehicles from Europe bound for the UK, checking their contents and enforcing UK Customs controls.

"I could be doing anything from selecting the lorries to stop and question the driver, to checking his vehicle and its contents, or scanning it with our special x-ray lorry. If we still have concerns about a vehicle then we would offload and comb the contents of a vehicle, which could take a whole shift.

"We use a range of profiles and indicators to select vehicles we suspect might be involved in smuggling and we also receive intelligence on certain vehicles to watch out for, but you also develop almost a sixth sense of which vehicles should be stopped. There could be something not quite right about the lorry's cab or maybe the driver's story doesn't add up.

"If I've found smuggled or illegal goods in the vehicle, I'll arrest the driver and then arrange for him to be taken to the UK for interviewing, while their shipment is taken to a secret location. Cigarette samples will be sent off for testing to check if they're genuine or counterfeit. If the driver is then prosecuted, the judicial process takes over and my job's done."

Inland Detection Officer, Croydon and Stratford, UK

"As little as two years ago, counterfeit cigarettes were very rare, and those that we did seize were pretty unconvincing fakes. Today, however, the London-based inland detection teams I oversee seize at least 20,000 expertly made and very convincing counterfeits every day of the year.

"My teams start the day with an update and intelligence briefing and can be involved in a variety of tasks – anything from research to investigation to surveillance to seizures.

"On arriving at the day's target location – such as Holloway Road, Brick Lane or Whitechapel – we'll spend some time scouting the area undercover, either on foot or by car, looking for the counterfeit cigarette sellers working on the busy shopping streets.

"When we identify a known face, the team will then comb the vicinity looking for their stock, which is more often than not stashed in bushes, behind bins or in ingenious locations such as electricity boxes onto which they fit their own padlocks. When the suspect is seen re-filling their pockets from their stash, we'll quickly arrest them and seize the cigarettes. Then it's back to the streets, looking for more sellers."

Senior Officer, Investigation Prosecution Unit

"It's my job to interview and, if changed, prepare cases against the suspects handed over to us by officers on the frontline.

"There's a lot of paperwork involved as we check materials before they're sent to solicitors and the police and generally make sure everything's up to scratch before the case goes to court.

"As you'd imagine, the whole process is rigorous and lengthy. It begins when the suspect is brought into custody and we examine the evidence against him or her. The interview could take anything from 2 to 22 hours. However, after that the suspect will either be charged or released. If charged, the suspect will be sent to the magistrate court the next morning and the case will be heard against him or her. From there, we've got four weeks to prepare a full case against them. Amassing the evidence is a real challenge sometimes, involving taking witness statements, conducting interviews, liaising with foreign agencies and generally ensuring we've dotted our i's and crossed our t's.

"Finally, it's my job to attend the hearing when it gets to criminal court. Hopefully, the case will lead to a conviction and then I'll feel satisfied that our job is done."

'My teams start the day with an update and intelligence briefing and can be involved in a variety of tasks – anything from research to investigation to surveillance to seizures.'

The illicit cigarette market is dynamic. Its criminals move fast and react quickly to Customs' measures. As officers continue to halt the flow of genuine cigarettes into the UK, smugglers are increasingly turning to counterfeit packs to maintain their lucrative income. So an ongoing battle has to be waged against the fraudsters, with Customs doubling their efforts to combat smuggling and disrupt supply chains.

Counterfeit cigarettes do pose particular problems as they are completely unregulated.

Customs will continue to:

- Target organisations involved in producing and importing counterfeit tobacco products within the UK and worldwide;
- Increase the costs to smugglers, by identifying and interdicting importations into the UK and the EU;
- Identify sites of counterfeit production throughout the world and, through our overseas liaison and intelligence network, work with overseas authorities and tobacco companies to disrupt, dismantle or prosecute as appropriate;
- And examine jointly with the tobacco manufacturers a practical range of measures that could be implemented against counterfeit cigarettes, such as covert marking.

The public also has a vital role to play in halting the growing problem of counterfeit cigarettes in the UK by calling the confidential anti-smuggling hotline (0800 59 5000) if they witness or hear of anyone who may be selling illegally imported tobacco.

And whether it's due to the higher levels of carcinogens in each counterfeit cigarette, the fear of the unknown in every pack or the fact that every time a smoker buys one, they're probably also funding illegal immigration, drug smuggling or prostitution, the message is loud and clear – don't buy them.

The response

Customs are continually refining their efforts to combat smuggling and disrupt supply chains. The public also has a vital role to play in halting the growing problem of counterfeit cigarettes in the UK.

It's simple — don't buy them.


Acknowledgments

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www.eo.ljsc.nasa.gov

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**You don't
know what's
in them.**

**HM Customs & Excise Website
www.hmce.gov.uk**

**Anyone with information about
illegally imported drugs, tobacco,
or alcohol or about VAT or fuel
fraud can speak to a Customs
officer in complete confidence
at Customs Confidential 24 hours
a day on 0800 59 5000, Or fax
0800 528 0506**

**You can write to Freepost
SEA9391, PO Box 100, DA12 2BR
or email: [customs.confidential@
hmce.gsi.gov.uk](mailto:customs.confidential@hmce.gsi.gov.uk)**

**Any business needing help or
advice can speak to the Customs
National Advice Service
8am – 8pm Monday – Friday
on 0845 010 9000**