

Hong Kong Customs clarifies no public auction ever arranged through external parties after noticing suspicious social media pages and websites

Hong Kong Customs made a clarification today (May 29) that it has never arranged any public auctions for confiscated items through any social media pages or websites. The department reminds members of the public to stay vigilant and avoid falling victim to scams.

Customs has recently noticed again that two dedicated pages were created on the Facebook platform with hyperlinks of shopping websites (see Annex), where related advertisements were published that falsely claimed that Hong Kong Customs was auctioning confiscated smuggled items at low prices, with the proceeds from the auction to be used for charity purposes.

Customs officers found that lawbreakers have repeatedly published similar content on newly opened social media pages and websites. The public should stay alert to avoid losses.

Customs said that the above-mentioned social media pages and websites conveyed false information intended to mislead consumers and they are suspected of infringing intellectual property rights, with a possibility of committing offences under the Trade Descriptions Ordinance (TDO) and the Copyright Ordinance (CO).

The operator of the social media platform has already removed the relevant content upon Customs' request. In addition, Customs also requested the relevant website hosting company to take follow-up actions.

Customs reiterates that confiscated items of all types will be handled strictly in accordance with established guidelines upon the completion of legal procedures. Items suitable for placing on a public auction will be co-ordinated and handled exclusively by the government department concerned in Hong Kong. The department never works with any external individuals or bodies to hold a public auction.

Customs stresses that it has long been concerned with illegal online sales activities. It has strived to combat unfair trade practices and infringing activities on websites. It also maintains close co-operation with law enforcement authorities of other countries and regions to combat cross-boundary infringing activities and protect the rights of consumers and legitimate traders.

Customs will initiate a follow-up investigation if the infringing activities involve local persons. If the relevant platform is located outside

Hong Kong but is involved in local criminal infringing activities, Customs will refer the cases to law enforcement authorities outside Hong Kong for joint follow-up actions.

Customs reminds consumers to purchase goods at reputable shops or online shops and to avoid conducting transaction with suspicious traders. They should check with the trademark owners or their authorised agents if the authenticity of a product is in doubt.

According to the TDO, any person who sells or possesses for sale any goods with a forged trademark commits an offence. In addition, "trade descriptions", in relation to goods, refers to an indication, direct or indirect, and in whatever form and by whatever means (including verbal), with respect to goods or any part of the goods, including the method of manufacture, production and processing, or the previous ownership or use. Traders should not give any false or misleading product information to consumers. Making a false or misleading statement about goods to a material degree may constitute an offence of false trade description. Violation of the TDO is a serious offence. The maximum penalty upon conviction is a fine of \$500,000 and imprisonment for five years.

In addition, according to the CO, anyone who, without the licence of the copyright owner, distributes an infringing copy of a work through any device or electronic platform to such an extent as to affect prejudicially the owner, or possesses any infringing items for business purposes, commits an offence. The maximum penalty is a fine of \$50,000 per infringing copy and imprisonment for four years.

Members of the public may report any suspected violation of the above-mentioned ordinances to Customs' 24-hour hotline 2545 6182 or its dedicated crime reporting email account (crimereport@customs.gov.hk) or online form (eform.cefs.gov.hk/form/ced002).