

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

Hong Kong Customs made a clarification today (February 21) that it has never arranged a public auction by means of a social media platform or a website to sell confiscated items. The department reminds members of the public to be alert and avoid being scammed.

Following December last year and January this year, Customs recently again noticed that some dedicated pages were created by social media users on the Facebook platform with hyperlinks of three shopping websites (see Annex), which falsely claimed that Hong Kong Customs was making arrangements for selling confiscated items by means of public auction and the proceeds from an auction would be donated to help combat the epidemic. Two of the websites, which were registered in Canada and Singapore respectively, had also published similar wordings for publicity purposes.

Customs officers found that similar contents were persistently published by lawbreakers on newly opened websites and social media platform pages. The public should stay alert since similar websites and social media platform pages will probably emerge again in the future.

Customs said that the above-mentioned social media platform pages and websites conveyed false information that conspired to mislead consumers. Customs also suspects intellectual property rights infringement, and noted that there may be offences committed under the Trade Descriptions Ordinance (TDO) and Copyright Ordinance (CO) of Hong Kong.

Customs has already requested the social media platform's operator to remove the concerned messages and hyperlinks as soon as possible. The department will also contact INTERPOL for follow-up action.

Once again, 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 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 all along 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 reminds consumers that they should stay vigilant in regard to online shopping, and procure products at reputable shops. They should not purchase items of unknown sources at suspicious websites or social media platforms to prevent any losses that may incur. Consumers are also reminded to contact trademark owners or traders for enquiries in case of doubt.

Customs said a follow-up investigation will be conducted 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.

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.

Customs appeals to members of the public to report any suspected unfair trade practices or infringing activities to Customs' 24-hour hotline 2545 6182 or its dedicated crime-reporting email account (crimereport@customs.gov.hk).