

## **Apple Gets Damages From Russian Companies Selling Counterfeit Goods**

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Apple sought to recover \$16.5 million from the companies, RIA Novosti said.

U.S. technology giant Apple will receive 1.7 million rubles (\$25,000) from four Russian companies that were selling fake products under Apple's brand name online, the RIA Novosti news agency reported.

This decision was announced by the Moscow Arbitration Court on Wednesday. The court ordered the defendants Profit, Argo, Madzhesta Plus and Elektrotekhprom to pay compensation and stop using Apple's trademark on the Internet.

According to Apple's representative, the four defendants at different times managed the same online store apl-msk.ru, which sold counterfeit products under Apple's brand name, RIA Novosti reported.

A representative of Madzhesta Plus, whose name was not given, denied the charges. He said

that the violation hadn't been proven and that the amount of compensation was disproportionately high for such a violation. He also urged the court to take into account the political situation, questioning whether Apple will pay taxes from this fine in Russia.

Russian-U.S. relations have dramatically worsened over the crisis in Ukraine. Last year the U.S. imposed sanctions on Russia over its annexation of Ukraine's Crimean Peninsula. In response Russia banned many food imports from Western countries.

Several foreign companies in Russia were targeted with government checks over the past year, which some analysts considered to be the result of deteriorating relations.

The online store used eight different domain names and pretended to be an actual Apple store, Apple's representative said in court.

Apple sought to recover \$16.5 million from the companies, RIA Novosti said.

In December 2013 and in February last year Apple's lawyers purchased goods from the online store and established that they were fake.

Apple sent Profit a letter demanding they stop using its trademark in December 2013, but the company refused, the Kommersant newspaper reported.

According to Mikhail Burmistrov, general director of analytical agency Infoline-Analitika, around 400 Russian online stores use the word "Apple" and most of them sell counterfeit products, the RBC newspaper reported in May.

The total trade turnover of these online stores in 2015 may exceed 15-20 billion rubles (\$220-295 million), Burmistrov said.

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