

Attention Manufacturers & Exporters!

**DO YOU
EXPORT
PRODUCTS
TO USA?
News IT
Compliance
Laws Could
Affect Your
Business. BE
COMPLIANT
& GROW.**

NEW US IT COMPLIANCE LAWS

New Export Competitive Advantage Opportunity

Dear Manufacturers & Exporters:

The New Unfair Competition Laws in US require **manufacturers who export and sell products in certain U.S. States to be fully IT compliant**. These laws protect law-abiding manufacturers against unfair competition by those manufacturers that **use Illegal IT (e.g. pirated software)** for the production and distribution of products to be sold in US. The laws also obligate **US retailers** to ensure that their supply chain is using only Legal IT. Penalties for law violation include monetary liability, **injunction against export sales**, etc.

Indian manufacturers & exporters who maintain IT compliance will enjoy uninterrupted U.S. export sales business and intact buyer-seller relationships. While Legal IT will enhance your global reputation, it will give you an export competitive advantage over those who use stolen IT and are subject to liability under these new laws. This is an opportunity to grow your export market share in US as against Chinese Manufacturers where usage of illegal IT is among the highest.

Apex Cluster Development Services Pvt. Ltd. can help you safeguard your business and enjoy the benefits of Legal IT by assisting you implement sound IT asset management practices that assess, verify and maintain your license compliance. **See the enclosed flyer for more information** on the new laws and how they may affect you.

We look forward to supporting your efforts to boost your export business to US under these new laws.

Our Motto: Empowering Local Economies to have Global Competitiveness.



**Mr. Rajveer Singh
Managing Director**

Apex Cluster Development Services Pvt. Ltd.

A-246 Okhla Industrial Area Phase I, New Delhi 110020

Mobile : +919811070056, +913088640

E-Mail : rajveers@hotmail.com, www.indianclusters.org

Legal IT Compliance - An Opportunity to Grow Your Exports

Manufacturing is a critical component of our national economy, impacting society, driving innovation, creating jobs and raising living standards. Besides human talent and natural resources, manufactures, in today's digital world, take advantage of another important asset – "Information Technology", to stay ahead of the competition and gain global market share.

It is therefore critical that usage of IT is both "Genuine" and "Legal" to foster fair trade competition and gain market access.

How is New IT Compliance Law Important?

What Does the Laws Provide?

The new Unfair Competition Law in certain US States prohibit sale of products which are being manufactured and distributed using illegal information technology (e.g. pirated software), despite being given a notice and opportunity to cure. The Law further obligates retailers and third parties to undertake due-diligence to ensure IT compliance of their supply chain.

What is Purpose of the Law?

The law's objective is to create a level playing field (fair competition) for law abiding manufacturers by obligating the non-compliant manufacturers to show use of Genuine and Legal IT (e.g. Genuine Software Licenses), respecting Intellectual Property Rights in IT, before their products can be distributed and sold in certain territories of United States.

What Does it Mean for You?

If you are a manufacturer who is exporting specified products to USA, then you must ensure that you only use genuine & licensed IT (e.g. software) for your manufacturing and distribution business facilities. You should not only get completely legal but should keep a clear and accurate record of your proof of purchases. You could begin by doing self-audits or seek professional help to undertake Software Asset Management (SAM) Review. Please note that the over-all IT compliance requirements under the law are not very complex.

How Can IT Compliance Improve Your Exports to US?

The biggest opportunity is against China, where software piracy and hardware counterfeiting is among the highest in the world. And since China is also the largest exporter of manufactured products to US, they will face maximum challenges, whereas Indian manufacturers can gain market share in US by becoming IT Compliant quickly and efficiently.