

Hot on the trail of crooks

'I choreograph raids like a ballet,' a leading private eye says

By Tara Coyle and Michael Juhre



Canal Street, in Manhattan's Chinatown, is the hub of the illegal bag trade. On Canal Street, it is common to see storeowners rushing to cover their inventory with blankets and sheets for fear of undercover investigations.

One man who executes such sting operations is Dave Woods, owner of Associated Investigative Services in Forest Hills. Woods, whose clients include Chanel, Prada and Gucci, tracks down merchants who sell counterfeit merchandise and helps law enforcement officials build a case against them. Woods's goal, though, is to put the counterfeiters out of business.

With more than 20 years of experience, Woods has an eagle eye for spotting knockoff bags. "Me and my team alone make about 10 to 20 seizures a day here in New York City," says Woods.

While the final destination, before sale, for most of this counterfeit merchandise is Chinatown, customs inspectors at airports and borders all over the country catch hundreds of smugglers each month. The illegal bags are manufactured in Asia and shipped to ports in New York, New Hampshire and Virginia for distribution throughout the U.S.

The price of bogus bags sold on the streets of New York depends on their quality and their origin. Some bags made in Italy, for example, are of higher-quality leather and can cost as little as half the sticker price of a real designer bag.

Street vendors who sell the greatest numbers of the fake handbags have become better at eluding police and private investigators like Woods. Vendors along Lexington and Park Avenues sell knockoff styles, without a correct logo, that closely mimic a brand-name product. Some of these do not constitute trademark design violations. Others are seized pursuant to court orders.

Canal Street vendors also are becoming more sophisticated. The storefront street vendors have walkie-talkies to warn each other about potential sting opera-

tions. And street peddlers on Canal Street pay Asian gangs to protect them from the police and private investigators, says Woods, who adds that he is sometimes threatened with violence.

For the makers of genuine designer bags, catching counterfeiters is serious business. It's not just a question of losing potential sales, say Woods. The imitators violate trademark laws and can seriously damage the reputation and prestige of a branded product. "Why would you want to spend \$500," says Woods, "when you could get the same look from far away for \$20 on the street?"

Woods methodically plans each undercover operation. "I choreograph raids like a ballet," he says. "Each step, designed to insure maximum impact and safety. I will spend hours planning an action that will be over in 15 minutes." As a private detective, Woods does not have the authority to arrest the vendors, but he helps build a case against them and turns his information over to the NYPD, FBI or other law enforcement agencies.

Once the seized merchandise is no longer needed as evidence, it is usually destroyed, by shredding or other means. Under the authorization of the court, and his client, Woods conducts "controlled burns," in which he or one of his agents oversees the incineration of the contraband by the Department of Sanitation or a private facility. His clients often stage media events during which bags are destroyed in front of television cameras to better inform the public about the ills of product piracy. Cartier, for example, once closed off 52nd Street by permit and used a steamroller to crush thousands of black-market watches.

Under New York State law, the selling of items bearing a counterfeit trademark valued at less than \$1,000 is a class A misdemeanor. The value is usually based on the price the hawker charges for the counterfeit item. So, a vendor who has 50 fake Prada bags for sale, at \$30 each, breaches that threshold and is committing a felony. Still, it is rare for vendors to serve jail time. **E**

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