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Flea Market Clothing Sales Probed

By Dennis Bell

Mineola — The Izod Lacoste shirt or Adidas jogging suit you bought at Roosevelt Raceway flea market, at half price, may not be such a good bargain after all.

Investigators from Nassau District Attorney Denis Dillon's office handed out 21 grand jury subpoenas Sunday to vendors suspected of selling counterfeit sportswear, replete with tiny, phony alligators, the Izod symbol. Assistant District Attorney Robert DeGrosso confirmed the probe of counterfeit goods at the flea market, but declined to elaborate.

Prosecution sources said vendors bought the phony shirts for \$2 or \$3 and sold them for \$12 or \$13 — about half the retail price of authentic Izod shirts. Investigators and manufacturers' representatives went to the market five times in the past two months, the

sources said. Each time, they identified about \$140,000 worth of phony Izod and Adidas merchandise. No merchandise was seized on these occasions on Sunday because Dillon feared that a raid by hundreds of police officers might have caused a panic, resulting in injuries to customers. The investigation began after both companies filed complaints.

Manhattan lawyer Harold Traub, counsel for Adidas of Germany, owner of Adidas USA, said this is the first criminal probe of counterfeiting at a flea market the company has participated in. Previously it has relied on federal suits to punish counterfeiters, "which cost my client many, many millions of dollars in sales annually."

Traub said flea markets are a weak point in Adidas' security network. Last summer at an Englishtown, N.J., flea market, federal marshals seized between

\$75,000 and \$100,000 worth of fake Adidas shirts from 14 vendors, Traub said.

Lawrence Buchwalter, the lawyer who coordinates counterfeit-prevention measures for Izod Lacoste, said that last month his firm brought a multimillion-dollar damage suit against 43 retail stores in southern Florida for selling counterfeit shirts. Also in May, FBI agents in Newark seized 5,000 shirts, 2,000 little alligators, sewing machines and thousands of phony Izod labels from a hastily abandoned sweat shop.

The Englishtown haul was the largest seizure in his company's history, Traub said, "but my guess is that Roosevelt will be even more important." Traub said middlemen at Roosevelt are probably supplying vendors at all the other metropolitan area flea markets and possibly those in other areas of the country. Flea market customers are led to be-

lieve they are buying "seconds," irregular or slightly damaged goods, the sources said. Neither Adidas nor Izod allows its products to be sold in flea markets. And when seconds are sold in stores, they are clearly marked as such.

Sources said the vendors, although liable to criminal prosecution for violating trademark laws and sales tax violations, are not the targets of the investigation. The real targets are the manufacturers of the phony goods and middlemen who supply the vendors.

Barney Rogers, president of the New York State Flea Markets Association, said he strongly approves of prosecuting those who violate trademark laws.

Jack Bergman, the promoter of the Roosevelt Field flea market, said he is not convinced that the goods were counterfeit but will cooperate with the probe.