



Chinese Government Raids Counterfeiters in Southern China

GUANGDONG, China--(BUSINESS WIRE)--Feb. 3, 2005--Six U.S. golf manufacturers (Acushnet Company, Callaway Golf Company (NYSE:ELY), Cleveland Golf, Ping, Nike Golf, and TaylorMade-adidas Golf Company) today announced that another blow has been struck against the illegal manufacture, distribution and sale of counterfeit golf equipment in the Southern Chinese cities of Dongguan, Changan and Guangzhou.

Chinese government enforcement authorities, responding to complaints by the above six manufacturers, launched simultaneous raids over three days against four factories in Dongguan and 18 retail locations in Changan and Guangzhou City. Among the targets raided were a significant counterfeit golf bag manufacturer, a grip manufacturer and three retail stores located in a five-star hotel in Guangzhou City. The raids resulted in the seizure of thousands of counterfeit golf clubs, balls, golf bags, shirts, accessories and production equipment with an estimated value of more than one million U.S. dollars.

The U.S. golf companies praised Chinese authorities for their prompt response and cooperation in enforcing the law. These raids are the latest in a series of high profile raids begun last year that highlights the growing intolerance of U.S. golf manufacturers with counterfeiters.

Loo Shih Yann, an attorney with the law firm Baker & McKenzie, which is coordinating efforts in China on behalf of the U.S. golf industry, said that the raids represent growing cooperation between the Chinese authorities and brand owners in tracking down and stopping counterfeiters wherever they are found. Further raids are expected.

Rob Duncanson, an attorney advising the U.S. golf companies, said "The manufacture and sale of counterfeit golf equipment by these modern pirates not only cost U.S. companies millions in lost revenues, but affects the brand integrity and reputation of companies who invest substantial resources in R&D and marketing, ultimately undermining the trust of the unsuspecting consumer."

In addition to significant support from Chinese authorities, the U.S. Customs Service continues to provide invaluable assistance by intercepting counterfeit goods coming into the United States.

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SOURCE: Callaway Golf Company