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Thai Police Raid Golf Club Counterfeiters

CARLSBAD, Calif.--(BUSINESS WIRE)--Nov. 2, 2005--Callaway Golf Company (NYSE:ELY) today confirmed that a recent police raid in Bangkok, Thailand, resulted in two arrests and the seizure of counterfeit golf clubs and accessories that police valued at approximately US\$100,000. Acting on a complaint filed by attorneys representing Callaway Golf and five other U.S. golf equipment manufacturers, Thai police raided both a retail store and its associated warehouse. The Commissioner of the Bangkok government's Central Investigative Bureau, Police Lieutenant-General Montree Jamran, reported that police raiders seized more than 6500 counterfeit clubs and other accessories. The two persons arrested in the counterfeiting operation were charged with trademark infringement under the Thai Trademark Act. Thailand's criminal law provides for a sentence of 2 years imprisonment and a fine of US\$5,000 for this offense.

Counterfeit products, including golf clubs and golf balls, are prevalent in Thailand and China. Numerous golf shops carry large inventories of counterfeit golf equipment, selling to local residents and tourists. Some of this product finds its way to the Internet, where it is marketed on retail web sites and auction sites. Callaway Golf and other U.S. manufacturers of premium brand golf equipment established a joint effort in 2004 to petition foreign governments in the fight against counterfeiting. This industry effort has led to enforcement actions by Thai and Chinese government authorities against counterfeit factories, warehouses, and retailers. More than 100,000 counterfeit golf clubs, balls, and accessories have been seized and destroyed, as well as factory equipment used to manufacture fakes. The street value of seized goods is in the millions of dollars.

Callaway Golf's efforts to block counterfeits are directed by Mike Rider, Senior Vice President and General Counsel, and Stu Herrington, Director of Global Security. "We appreciate the cooperation and support of the Bangkok authorities," said Mr. Rider. "This is an international, industry-wide problem that requires cooperation among all groups with an interest in protecting consumers from deception through the sale of counterfeit golf products."

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SOURCE: Callaway Golf Company