



PRESS RELEASE

Morningstar Launches Awareness Campaign Against Counterfeit Manufacturers To Protect Customers Home and Abroad

Newtown, PA, USA, March 5, 2013: Morningstar Corporation, a world-leading supplier of solar charge controllers & inverters—today launched a multi-faceted customer relations program to protect against the distribution of counterfeit Morningstar products by unauthorized manufacturers, distributors and sellers. With over two million units installed, in over 67 countries around the world, Morningstar has a reputation for delivering the industry’s best portfolio of solar charge controllers and inverters. The effect of unauthentic products in the market has been noted and the company is taking steps to halt further fraudulent business practices originating in China. The newly launched program will emphasize customer awareness, validation methods, securing software, packaging updates and other best practices.

Over the last few years Morningstar has seen a tide of counterfeit Morningstar-labeled products enter the global marketplace and make their way into its customers’ solar-electric installations. As part of this comprehensive new program, Morningstar is teaming **with the US government and local Chinese government officials to take immediate corrective action against these counterfeit manufacturers, distributors and sellers.**

“We view any attempt to deceive our consumers and violate our intellectual property with the utmost concern and we will take aggressive legal action against anyone who is manufacturing, distributing, marketing or selling counterfeit Morningstar controllers, inverters, accessories or software. We will work with the appropriate legal bodies and authorities to shut down all fraudulent manufacturers, distributors and web-based sellers,” said Lee Gordon, President & CEO, Morningstar Corporation. “Morningstar will not tolerate the counterfeiting of its products and the unlawful use of its trademarks and patented technologies. We are sending a strong message to our customers that we are committed to upholding the standards and reliability of our products and our high-quality, customer-focused reputation.”

In the past six months, Morningstar identified three companies in Zhejiang province of China, in Yueqing city, illegally copying our products and selling them as products of “Morningstar Corp”:

- 1 Dobettergroup
- 2 Wenzhou Natural Automation Equipment Co., Ltd
- 3 Saip Electric Group Co., Ltd

Counterfeit product directly impacts the interests of Morningstar customers:

- a. **Safety:** These counterfeit manufacturers use Morningstar’s certification logos of safety without actually testing and certifying that these ‘fakes’ are appropriately rated. These safety certifications include, but are not limited to:
 - i. UL 1604 and/or UL 1741 and/or UL 458 Listed

MORNINGSTAR LAUNCHES AWARENESS CAMPAIGN AGAINST COUNTERFEIT MANUFACTURERS TO PROTECT CUSTOMERS HOME AND ABROAD

- ii. CSA C22.2 (No. 107.1-01 and/or No. 213-M1987) Listed
- iii. FCC Class B Part 15 Compliant
- iv. NEC Compliant
- v. CE Certified
- vi. RoHS Compliant

NOTE: These products, if not truly tested and rated as certified, may cause burning, explosions and other potential property damage, and even loss of life.

- b. **System Performance & Reliability:** Counterfeit product adversely affect overall photovoltaic (PV) system performance and reliability. Customers who purchase these counterfeit products expect them to work as specified. In addition to operating below their specifications, they can also affect overall system performance and reliability, and can cause damage or shorten the operating life of other PV system components, e.g. the battery bank system.

According to the Secretary General at the International Chamber of Commerce, “Multi-National manufacturers lose roughly 10% of their top-line revenue to counterfeiters. Counterfeit sales represent 5 to 7 % of world merchandise trade today.”

Further, the MarkMonitor pointed out in their recent Dec 2012 Whitepaper that, “the damage these counterfeit sales do, to the rightful brand owners goes, well beyond revenues and profits: numerous reports have suggested that counterfeit and piracy trade supports terrorism, organized crime and other threats to both national security and human rights. Now, the Internet’s rapid growth—along with its instant global reach and anonymity—has significantly escalated the situation. One of the most significant centers of counterfeit trade is China. In addition to originating roughly 89% of counterfeit manufactured goods, China hosts vast internal marketplaces—both online and off—where counterfeit goods are traded.”

[New York’s Senator Charles E. Schumer](#) announced in Nov 2012 (Cyber Monday) that he and his team, working with U.S. Trade Rep, Fed Officials & Chinese Government (in a plan to Address Scourge of Chinese Counterfeits of New Era Products – Alibaba.com) have already shut down 380 fraudulent listings. And he has vowed to “continue to work with public and private entities to stop counterfeiters who prevent New Era from increasing its revenue and furthering its positive impact.”

According to our customers and what we have found through litigious investigation, these counterfeit Morningstar products are being sold all over the world. As such, these ‘fakes’ carry a huge potential for harm; to our customers and their property, to Morningstar’s quality reputation as well as undermining the reputation of China.

About Us: Morningstar Corporation is a world-leading supplier of solar charge controllers & inverters—with over 2 million units installed, in over 67 countries around the world. Morningstar is renowned for delivering the industry’s best overall customer value—our solar charge controllers & inverters have set new standards in performance, innovative features, quality & reliability. Morningstar is a privately-owned US corporation.

To learn more check out: www.morningstarcorp.com

Follow Us on LinkedIn: www.linkedin.com/company/morningstar-corporation

Like Us on Facebook: www.facebook.com/MorningstarCorporation

Check us out on YouTube: www.youtube.com/TheMorningstarCorp

Sources:

1 International Chamber of Commerce

2 Intellectual Property Rights Seizure Statistics: Fiscal Year 2009, U.S. Customs & Border Protection, Oct 2009

3 www.livemint.com/2007/06/18001520/Counterfeiters-taking-on-globa.html

4 Seven Best Practices for Fighting Counterfeit Sales Online, Whitepaper: www.markmonitor.com/download/wp/wp-Fighting_Counterfeit_Sales.pdf