

# Are you staying a step ahead of **CRIMINALS?**

Counterfeiters take your brand's sweet success and turn it into a nightmare. So, how do you thwart them?

First, **you need to know how you're at risk.**

## Is your brand **A TARGET?**



The short answer: **YES**

Nearly every industry is put at risk by counterfeiters, including:

**DRUGS & PHARMA**

**MILITARY & AEROSPACE**

**INDUSTRIAL & CHEMICAL**

**FOOD & BEVERAGE**

**ELECTRONICS**

**CLOTHING & APPAREL**

## Counterfeit goods & CONSUMERS

Demand for luxury goods has soared to new heights, creating greater opportunity for counterfeiters to swoop in and fill that need with fake product.

According to some experts, **as many as 10% of all branded goods sold may be counterfeit.**

Estimates suggest that **counterfeit goods have increased by 10,000% in the last two decades.**

Knowingly or not, **about 80% of consumers have handled fake or falsified goods.**

## How your brand **IS AT RISK**

Lost profit is bad enough! But there's even more at stake. What do you have to lose? Well...

### 1 JOBS

Counterfeiting is directly responsible for **2.5 million lost jobs globally each year.**

### 2 TRUST IN YOUR BRAND

On average, **52% of consumers lose trust in a brand after purchasing a fake item.**

### 3 TRUST IN eCOMMERCE

Another **64% lose trust in online marketplaces.**

## Let's take a **CLOSER LOOK**

### CASE STUDY

In 2017, Nike™ signed a wholesale agreement with Amazon designed to eliminate fake goods from the site by selling genuine products. But by 2019, Nike™ decided to remove its goods from Amazon for good after counterfeit items continued to show above search results for real product, putting its brand at risk.

## How do you say **LOST PROFIT?**

Counterfeiting's ill-gained profits rival some of the biggest world players, including:



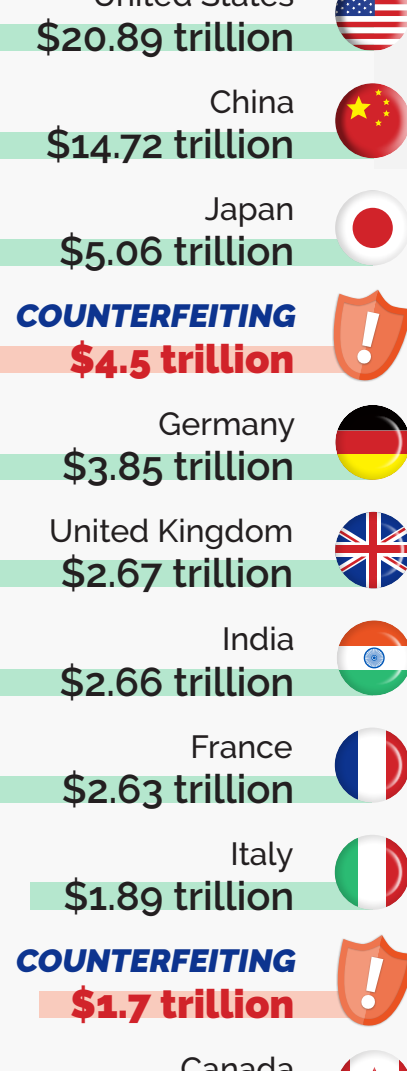
**That's trillions of dollars in lost profit.**

## So, how **BIG** is the problem?

Most sources agree that the amount of counterfeit goods sold each year comes in at a whopping **\$1.7 to \$4.5 trillion.**

To put that into perspective:

On a global scale, counterfeiting lands somewhere between the **4<sup>th</sup> and 10<sup>th</sup> largest economies in the world!**



## Impact on the **U.S. MARKET**

**World's largest GDP.**

**World's counterfeiting epicenter.**

U.S. eCommerce sales exploded with the pandemic and show no signs of stopping!

In 2021, **consumers spent \$870.78 billion online** with U.S. merchants, **up 14.2% from \$762.68 billion in 2020.**

**+** Largest global share of counterfeit goods. Products from U.S. companies make up **more than 20% of counterfeit items.**

**+** Highest amount of counterfeit purchases. **Around 60% to 80% of all goods sold to U.S. shoppers are counterfeit.**

**+** Booming eCommerce marketplace. Online purchases reached projected sales for 2023 **two years early, in 2021.**

**=** **HUGE problem for U.S. businesses!**

Now it's time to **plan how you're going to protect your brand.**

**Secure labeling is the way to go!** Layer human-visible and covert features to make it impossible for fraudsters to dupe.

**TAMPER EVIDENT**

- Self-destruct:** Cuts are made in the printed label so it shreds when fraudsters try to remove it.
- Leave-behind:** The material left after the label is peeled is printed with the word "VOID."

**TRACEABILITY**

- Unique serialization and shipment-specific QR or barcodes give you visibility over the delivery process.

**ANTI-COUNTERFEIT**

- Mix and match micro-features to create a one-of-a-kind label that counterfeiters can't replicate.

1 https://www.incoprop.com/reports/fixing-in-a-fake-society-us/ 2 https://www.uspto.gov/sites/default/files/documents/USPTO-Counterfeit.pdf 3 https://www.investopedia.com/insights/worlds-top-economies/#toc=1-united-states 4 https://cdn.icwbo.org/content/uploads/sites/3/2016/11/ICC-BASCAP-Global-Impacts-Full-Report-2011.pdf 5 https://www.forbes.com/sites/forbesbusinesscouncil/2022/08/09/the-global-impact-of-counterfeiting-and-solutions-to-stop-it/?sh=4b827b9c22