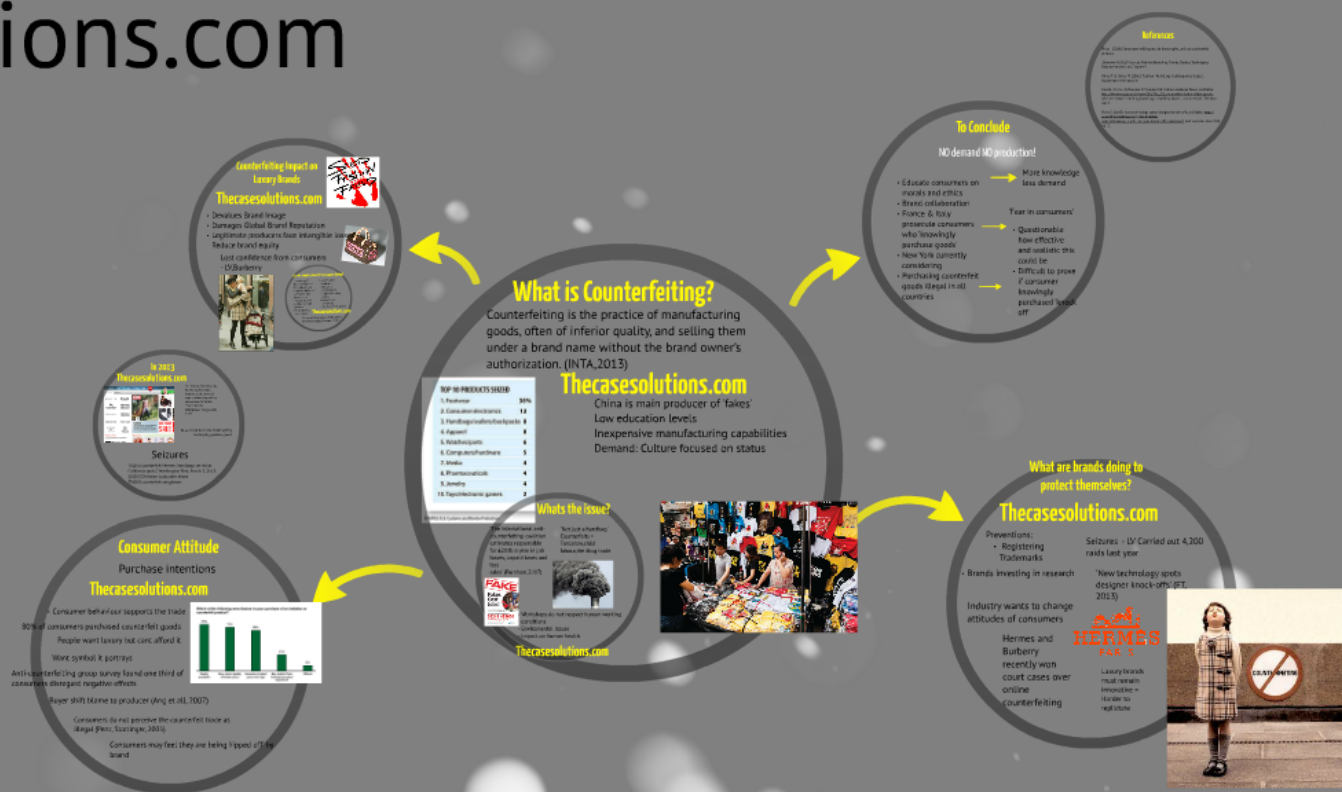
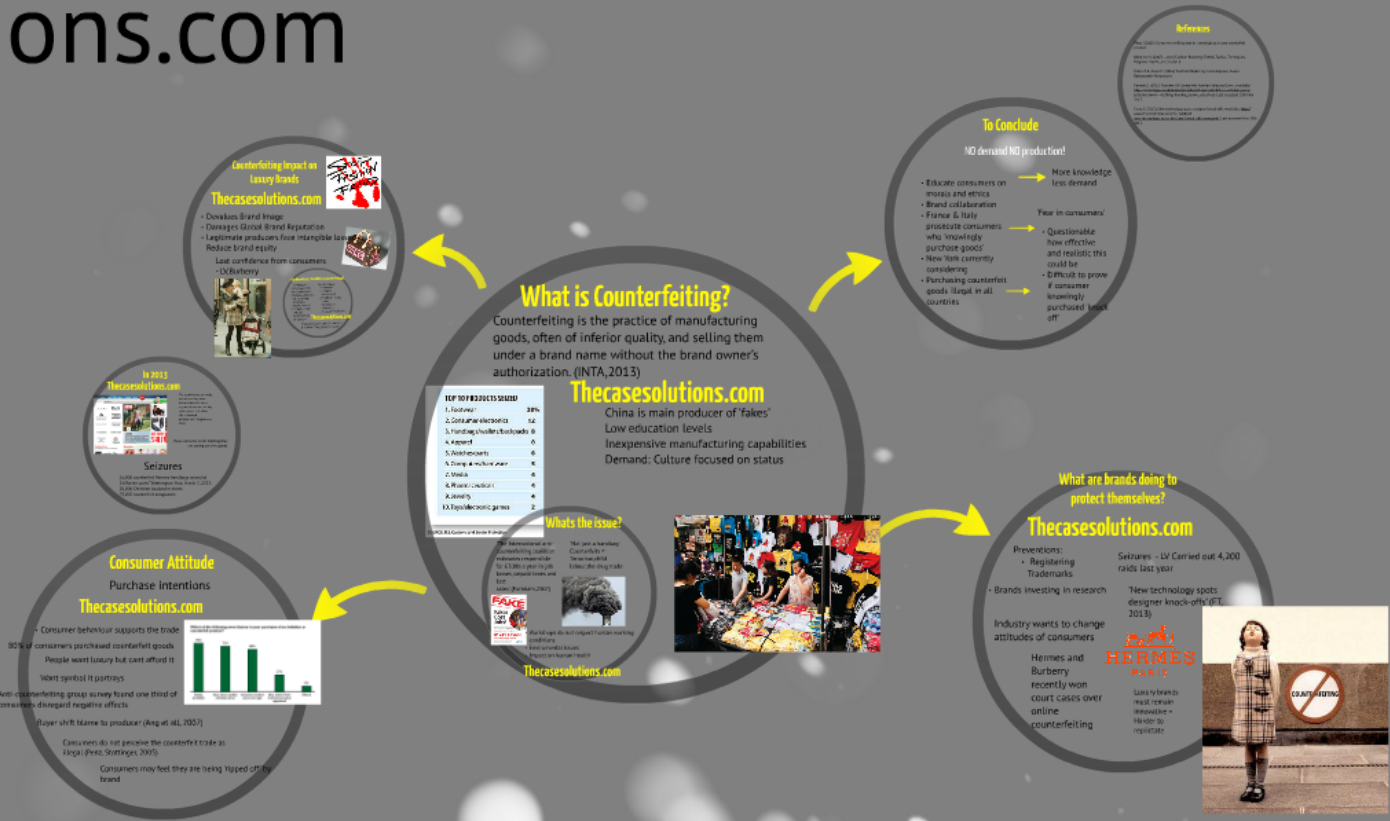


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The Challenge of Curbing Counterfeit Prescription Drug Growth: Preventing the Perfect Storm

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What is Counterfeiting?

Counterfeiting is the practice of manufacturing goods, often of inferior quality, and selling them under a brand name without the brand owner's authorization. (INTA,2013)

Thecasesolutions.com

- China is main producer of 'fakes'
- Low education levels
- Inexpensive manufacturing capabilities
- Demand: Culture focused on status

TOP 10 PRODUCTS SEIZED	
1. Footwear	38%
2. Consumer electronics	12
3. Handbags/wallets/backpacks	8
4. Apparel	8
5. Watches/parts	6
6. Computers/hardware	5
7. Media	4
8. Pharmaceuticals	4
9. Jewelry	4
10. Toys/electronic games	2

SOURCE: U.S. Customs and Border Protection

Whats the issue?

'The International anti-counterfeiting coalition estimates responsible for £200b a year in job losses, unpaid taxes and lost sales' (Furnham,2007)

'Not just a handbag'
Counterfeits =
Terrorism,child
labour,the drug trade



- Workshops do not respect human working conditions
- Enviromental issues
- Impact on human health



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FAKE

Fakes Cost Jobs!

Buying fake goods supports crime. If you are offered fakes **DONT BUY.**

Call Trading Standards in confidence on **01241 435600**
tradstand@angus.gov.uk

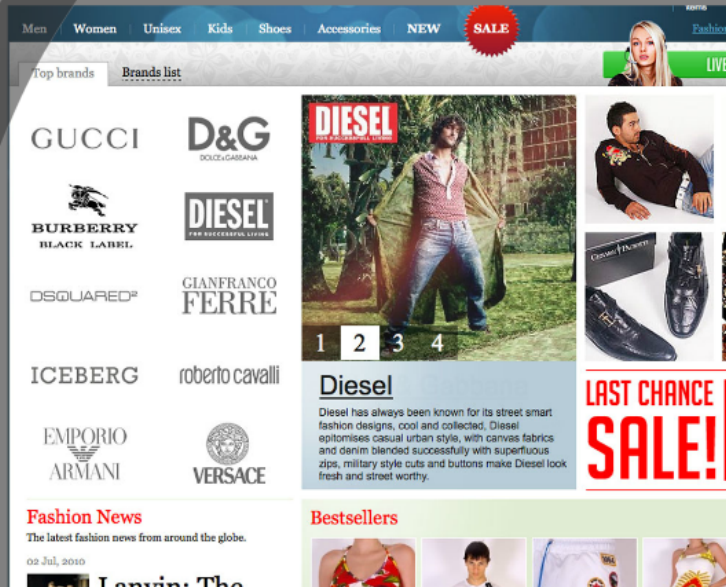
We will solely use information provided to identify when and where fake products are being sold.




- Workshops do not respect human working conditions
- Enviromental issues
- Impact on human health



In 2013 Thecasesolutions.com



"As ecommerce expands, we are seeing more international criminal organisations exploiting cyberspace to further their criminal enterprises," Vogue.com, 2013

Dupe consumers into thinking they are buying genuine goods

Seizures

16,000 counterfeit Hermes handbags seized at California ports," Washington Post, March 5, 2013.
20,000 Christian Louboutin shoes
79,000 counterfeit sunglasses

Counterfeiting Impact on Luxury Brands

Thecasesolutions.com



- Devalues Brand Image
 - Damages Global Brand Reputation
 - Legitimate producers face intangible losses
- Reduce brand equity

Lost confidence from consumers
- LV, Burberry



Can the industry benefit from counterfeiting?

- Advantages:
- Brand awareness
 - Free Advertising
 - Products status and symbol of high brand value
 - 'You've made it'
 - Flattering to be imitated
 - Primarily Price advantages

- Disadvantages:
- Aesthetics
 - Design is compromised
 - Health and safety issues
 - Brand loses exclusivity
 - Devaluation of brand

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'Prada CEO Says Counterfeit Fashion Isn't A Bad Thing' (Sanchez, 2012)

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Consumer Attitude

Purchase intentions

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- Consumer behaviour supports the trade

80% of consumers purchased counterfeit goods

People want luxury but cant afford it

Want symbol it portrays

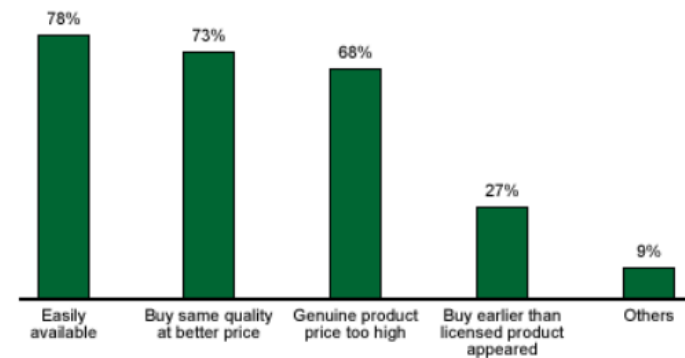
Anti-counterfeiting group survey found one third of consumers disregard negative effects

Buyer shift blame to producer (Ang et all, 2007)

Consumers do not perceive the counterfeit trade as illegal (Penz, Stottinger, 2005)

Consumers may feel they are being 'ripped off' by brand

Which of the following were factors in your purchase of an imitation or counterfeit product?



What are brands doing to protect themselves?

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Preventions:

- Registering Trademarks
- Brands investing in research

Industry wants to change attitudes of consumers

Hermes and Burberry recently won court cases over online counterfeiting

Seizures - LV Carried out 4,200 raids last year

'New technology spots designer knock-offs' (FT, 2013)



HERMÈS
PARIS

Luxury brands must remain innovative = Harder to replicate

