

# GUIDELINE

Seven Steps to Brand Protection in 2021  
+ Case Study

# 7 STEPS TO EFFECTIVE BRAND PROTECTION IN 2021

The counterfeit market has grown by a staggering amount in 2020, which can be attributed to the change in consumer behavior caused by the COVID-19 pandemic. Many consumers have started shifting their purchases online, which has increased the opportunities for counterfeiters to sell their goods unnoticed. However, this stark increase has simultaneously heightened consumers awareness of the issue, which forces companies to find strategies and solutions to protect their product and brand. This task also must be tackled head-on considering counterfeiting in general has an extremely negative effect on bottom-line performance. Reports estimate that **fake products cost companies about 1.2 Trillion USD\*** per year.

In our whitepaper we outline the 7 steps on **how to find the best brand protection concept for your company and how to implement it**. As an expert in product protection solutions, with 20 years of experience in working with global brands, we support you every step of the way. As a joint force, we will successfully protect your brand from illegal activities and strengthen your brand for the future.

FAKE PRODUCTS  
COST COMPANIES  
**1.2 TRILLION \$**  
PER YEAR



**BRAND PROTECTION HAS TO BECOME  
A PRIORITY FOR BUSINESSES WHO  
WANT TO EARN CONSUMERS' TRUST  
AND SHIELD THEIR COMPANY FROM  
SUBSTANTIAL LOSSES.**

# 1

## STEP ONE IDENTIFYING THE PROBLEM AT HAND

Ideally as a company, you would implement preventative measures to protect your products from counterfeiters. However, manufacturers of brand-name products often do not realize there is a counterfeiting problem until fakes appear on the market. It then becomes important to identify the extent of the problem:

- ✓ By checking the manufacturer's own markets, usually through employees in sales and distribution and in retail stores
- ✓ By conducting research on online sales platforms such as eBay, wish and Alibaba
- ✓ By monitoring social media channels and messenger services such as Facebook, WhatsApp, and WeChat
- ✓ By checking returned products



### The following questions need to be answered:

Are there counterfeit products in circulation?	Are grey-market goods being traded?	Is there any tampering and theft in the logistics chain?	Is warranty fraud being committed?
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**Note:** Answering these questions often isn't easy. However, you do not have to answer them all by yourself, as **we will support you** with our tools and expertise.

# 2 STEP TWO

## CHOOSING THE MOST SUITABLE SOLUTION PROVIDER

When choosing the most suitable solution provider for your company, please make sure that they meet all the following criteria:

**THE SECURITY TECHNOLOGY USED IS NOT READILY AVAILABLE ON THE MARKET:** The provider has developed the solution in house and produces the security markings with technology found nowhere else in the world. This results in a particularly high level of protection against counterfeiting.

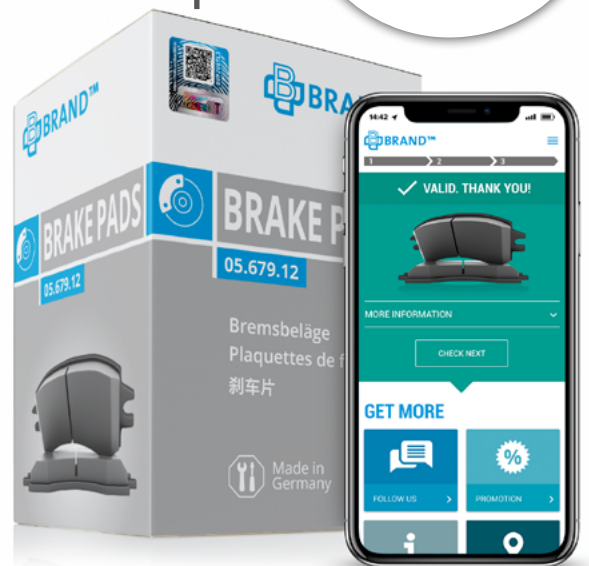
*Note: Generally speaking, this does not apply to embossed holograms, which are readily available on the market from a wide range of providers and can also be used by counterfeiters.*

**THE SECURITY MARKING ON EACH INDIVIDUAL PRODUCT IS UNIQUE AND CAN BE CHECKED TO ENSURE IT IS AUTHENTIC:** Each individual security label for a product carries a unique, customized piece of information. This gives each product an unambiguous, traceable identity.

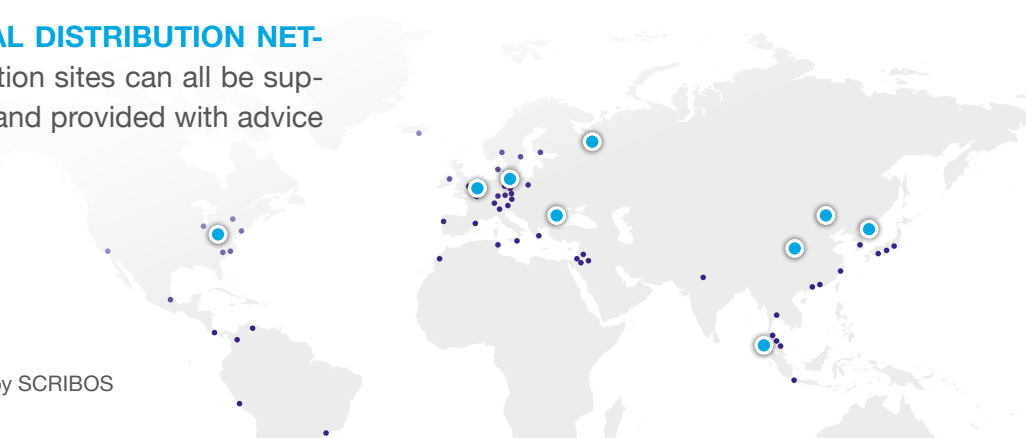
*Note: This is not the case with simple embossed holograms, as they are produced using one motif which is reproduced identically multiple times.*

**THE PROVIDER HAS A GLOBAL DISTRIBUTION NETWORK:** As a result, your production sites can all be supplied with the security markings and provided with advice in their own local language.

-  SCRIBOS
-  KURZ 
-  Supplied by SCRIBOS



Counterfeit protection, supplier control and customer interaction – all in one system.



**THE SECURITY FEATURE IS SUITABLE FOR VARIOUS TARGET GROUPS:**



Consumers must be able to check the security feature with the naked eye or with a smartphone in order to authenticate original products.



Retailers, customs officials and your company's own experts can also read other security levels and details using simple devices such as a magnifying glass or special reading devices.

**THE SECURITY FEATURE CAN BE INTEGRATED INTO EXISTING LABELS:** The fewer changes that have to be made to your production processes, the less time-consuming and expensive the process will be. This is especially true if the security features can be applied to existing labels using label-on-label technology or printed directly onto packaging.

**OVERT AND COVERT SECURITY FEATURES ARE USED IN COMBINATION WITH ONE ANOTHER:** This combination makes the security markings particularly secure.

**THE SECURITY FEATURE IS PROTECTED AGAINST TAMPERING AND REMOVAL:** There is a risk that product packaging is collected and reused by counterfeiters after first use. To protect against this, a seal is applied, which leaves behind a permanent visual mark (Tamper-Evident Effect) when the product is first opened. The packaging can then no longer be reused. This is particularly important for manufacturers of products that are disposed in large quantities, such as wine bottles.



**OUR SOLUTIONS COVER ALL ABOVE CRITERIA. IF YOU WOULD LIKE TO KNOW MORE SPECIFICS, OUR EXPERTS WILL GLADLY CONSULT YOU.**



# 3

## STEP THREE CHOOSING WHAT NEEDS TO BE PROTECTED

As a brand owner, you must select and prioritize which products need protection. Should only a few products be equipped with the security feature, or the entire range?



Security needs and cost are important factors when making this decision.



It is also important to consider that communication to stakeholders (such as custom officials or consumers) is most successful when one consistent security feature is implemented.

# 4

## STEP FOUR DEFINING AND DEVELOPING THE SECURITY SOLUTION

Using a few basic questions as a starting point, we craft your individual security concept:

**What problem do you wish to tackle?** Are counterfeiting, grey-market trade, warranty fraud and/or theft in the logistics chain harming your company?

**Who will be checking the security feature in the market?** Is the security solution aimed at end consumers, retailers, customs officials and/or experts? Or should the security feature be concealed so that only experts can carry out the verification?

**Should it be linked with existing marking standards?** Is the security feature intended to be combined with industry-wide identification standards? Is it required to meet statutory marking specifications, for example those of the pharmaceutical regulations in the EU and the United States?

**Is interaction with customers and/or Track & Trace also required?**  
**Customer Interaction:** Are you interested in providing your customers with additional experiences such as loyalty schemes and competitions?  
**Track & Trace:** Should it be possible to trace the product using track & trace systems?

**What effect should the security feature have on the market?** Should the security feature attract attention, or would you prefer it to be integrated discreetly in the product design?

We make sure that your customized security feature is tailored precisely to the surface texture and material of the product.

In usage tests, we test the security solution for its resistance to specific temperatures, moisture, UV radiation and for its taper-proof properties.

# 5

## STEP FIVE INTEGRATING THE SECURITY FEATURE INTO EXISTING PRODUCTION PROCESSES

We work closely with you in the process of implementing the security solution into your existing production processes.

The implementation stage does not only include the production processes but also your logistics. We can also provide our solutions to your external suppliers. However, the supply would of course be strictly controlled in terms of allocation and quantities.

*The most efficient way is to add the security feature into an existing product label since there is no need for any additional labelling steps*



# 6

## STEP SIX INTRODUCING THE SECURITY FEATURE TO THE MARKET

One crucial step is communicating the security solution to the market. Only if all stakeholders (experts, customs officials, retailers and/or consumers) are informed it is possible to achieve maximum protection.

The communication concept focuses on factors such as the target group, product type and industry. Appropriate measures may include landing pages on the manufacturer's website, videos, leaflets, posters and/or email and newsletter campaigns.

**OUR LONG-STANDING EXPERIENCE AND BEST PRACTICE EXAMPLES ARE AT YOUR DISPOSAL WHILE DEVELOPING THE APPROPRIATE COMMUNICATION STRATEGY.**

# 7

## STEP SEVEN VALIDATE THE PROTECTION CONCEPT

Once the new protection concept has been introduced to the market, the ongoing security measures must be monitored:

The following questions need to be answered:

<p>Are production and logistics processes running smoothly?</p>	<p>Is the security concept being embraced by target groups or do the communication measures have to be refined?</p>	<p>Is it possible to collect data and report on the decline of prior problems (counterfeiting, grey-market trade, theft, warranty fraud, etc.) to use as success measures?</p>
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To give you a glimpse into the exciting benefits of partnering with us, please read about our project with Stellantis.



**WE SUPPORT YOU IN  
CONTINUOUSLY ADJUSTING  
AND UPDATING YOUR INDIVIDUAL  
SECURITY SOLUTION TO MAKE  
SURE IT ALWAYS PROVIDES  
YOU WITH THE BEST POSSIBLE  
PERFORMANCE.**



# STELLANTIS: THE PATH TO FULL PROTECTION

## How Stellantis successfully combated anti-counterfeiting and optimized their supplier management

### THE CHALLENGE

How can Stellantis keep control of its brand?

*Protection from counterfeiting, control of all suppliers and simplified communication: with the 360° solution from SCRIBOS, Stellantis benefits from maximum transparency and the advantages of digitally connected products.*

Stellantis, formerly known as PSA Groupe, is the largest car producer in Europe, which includes high-profile brands such as Peugeot, Citroën, DS, Opel, Vauxhall brands and Eurorepar. Therefore, the company's high-value spare parts and accessories are constantly targeted by counterfeit activities.

Stellantis therefore desperately needed a solution to protect its products from counterfeiting and overproduction to ensure the integrity and success of their company in the long term.

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The **360° solution** from **SCRIBOS** gives us improved market knowledge and **transparency**, and allows us to take targeted action against counterfeiters.

BRAND PROTECTION MANAGER | Stellantis

### OUR SOLUTION

**Securing product identities in combination with a dedicated online ordering platform**

This is where we at SCRIBOS came into play. In close collaboration with Stellantis, we worked out the precise requirements for their own individual security solution.

Every individual product was given a SCRIBOS VeoMark® security label, which we connected to our SCRIBOS 360 digital platform. This facilitated and streamlined the authenticity checks of security labels and their intended destinations. Stellantis also benefited from our B2B ordering platform, which handles the entire process from ordering, controlling overproduction to payment of the labels. Therefore, the whole process required minimal effort from the company's side.

### THE BENEFITS

**Maximum transparency and plans for action**

This one-stop solution with intelligent, digital tools enables Stellantis to

- Generate valuable market data
- Gain transparency over their supply chain
- Detect and stop counterfeits
- Enable concrete actions such as custom seizures and Expert investigations

**If you want to protect your brand for the future, please get in touch with us.**

# SCRIBOS

At SCRIBOS, we empower brand owners all over the world to win the battle against counterfeits by setting the standard in brand protection solutions. Since the discovery in 1998 that adhesive tapes can be used as data storage media and the company's founding in 2001, SCRIBOS has become a leading force in the brand protection field.

Our company specializes in the development and manufacturing of innovative and secure product markings that can be combined with cutting-edge digital tools. These effective brand protection solutions give brand owners all over the world the means to combat counterfeiting, grey market trading and unauthorized overproduction. On top of this, they open avenues for customer interaction, track & trace and market analysis.

We now have over 20 years of experience in the brand protection field and have worked with over 500 leading brands around the world such as Stellantis, Bosch, Castel and Chloé. As a 100% subsidiary of the KURZ Group, our company also benefits from the extensive experience and global presence of its parent company in the international market of security applications.



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**WE ARE ALWAYS ONE STEP  
AHEAD OF COUNTERFEITERS  
BY CONSTANTLY  
DEVELOPING OUR  
PORTFOLIO  
BASED ON YOUR NEEDS!**

Sebastian Praefcke | Managing Director

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