

FOUR ARRESTED IN COUNTERFEITING RAID

CASE STUDY

BRAND PROTECTION

PROBLEM

A multinational FMCG leader was facing severe counterfeit issue with its flagship soap brand which was positioned as a premier luxury line of cosmetic products. In fact the company had started the brand with the soap and when it gained market share and popularity, the brand was extended into other segments such as shampoos, creams etc. Keeping the product profile and its popularity in mind it was very important for the client to arrest the problem to prevent further erosion of the brand value and maintain customer satisfaction.

APPROACH

The client brought in the anti counterfeiting experts of SecureMARC to discuss the problem and identify the possible solutions. The SecureMARC team understood the facts of the case and on analysis decided that it was not only important to identify the wholesalers /retailers of the counterfeit and take action against them, but identify the manufacturer of the counterfeits in order to find a long-lasting and effective solution as opposed to quick fixes.

SOLUTION

SecureMARC brought in its senior officers of the SecureMARC FMCG Investigation Team (SFIT) and explained the case with the objectives to be achieved. The SFIT activated its informer network in the market to gain information about the wholesalers of the counterfeits. The major wholesalers were identified and the team started working up-stream. The supply chain of the counterfeiters was very well organized with a number of cutoff points.

The counterfeiter had developed an ingenious and highly secretive method of transporting his counterfeit products to the market and neighboring states. Though the area did not lend itself favorably to surveillance activities, the SFIT devised unconventional ways of keeping the locations under surveillance and was able to crack it successfully.

Though the team took four months to identify the complete chain; at the end of the investigation the SFIT knew the complete chain right from the counterfeiter, raw material suppliers, packaging material suppliers, vehicles used and had also mapped the complete movement of the counterfeits from the manufacturing stage to the retail counter.

Armed with the in-depth information of the counterfeit chain, the SFIT briefed the client and went on to organize a multi-location coordinated raid.

CONCLUSION

By understanding the real extent of the problem and the necessary solution, SecureMARC was in a position to quickly step in and arrest the problem. Seizure of the molds, printing plates, printing machinery etc. and multiple arrests SecureMARC sent out a strong message to the market that the client was very serious about its brand integrity and any infringement of the brand would be dealt with the strongest possible action.