

INTERNATIONAL PHARMA COUNTERFEITING RING BUSTED

CASE STUDY

BRAND PROTECTION

PROBLEM

A prominent multinational pharmaceutical company realized that with the advent and prolific use of internet, one of its block-buster products was being heavily compromised. The product was being sold with impunity on the internet through online pharmacies and a very high percent of the brand sold was counterfeit. Furthermore, most of the counterfeits were mere placebos. The company was losing its customer base rapidly and was also at the risk of law suits due to unhygienic manufacturing practices followed by the counterfeiters.

APPROACH

Counterfeiting being a global problem, the company had a number of investigative service providers working on the case in a number of countries. The client approached SecureMARC to assist it with its anti counterfeiting drive in and from India. A number of dropshippers being based in India was one of the reasons that the client approached SecureMARC.

The SecureMARC Pharma Investigation Team (SPIT) analyzed the issue and realized that an undercover approach would be best suited for the case. It was also understood that the case needed complete commitment on part of the SPIT as the case would be a long drawn one. The team faced up to the challenge presented by the client and took up the case.

SOLUTION

The SPIT worked on the case and developed a number of leads throughout India. The team also worked on the international leads generated in the course of the research. One such lead led the SPIT to Hong Kong which turned out to be one of the main suppliers of the counterfeit worldwide. SPIT undercover developed a relationship with the main supplier who had the counterfeits manufactured in China. The SecureMARC undercover was able to win over the confidence of the counterfeiter. A raid was conducted and the counterfeiter was arrested. The Hong Kong Custom raided more than 25 locations in Hong Kong and was able to seize counterfeits of not only the client but other pharmaceutical companies (who joined the investigation mid-way) as well. The total value of the goods seized was 19 million dollars.

CONCLUSION

The diligent research work carried out by the SecureMARC team and the finesse of the SecureMARC undercover operatives delivered a number of successes to the client not only in the case under discussion but in a number of other cases in India. Sustained investigation and actions ensured that the level of counterfeiting of the clients product reduced substantially over a period of time.