



Brand De La Rue
Protection

Aligning Giants: A humanitarian partnership against counterfeit.

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Aligning Giants: A humanitarian partnership against counterfeit.

As a global leader in counterfeit protection, De La Rue recognises the need, now more than ever, to protect consumers and first-line workers from bad actors who are taking advantage of COVID-19 to produce and distribute counterfeit products that put these end users at risk of infection, or unwittingly contributing to the virus's spread.

Many legitimate brands are stepping up to provide COVID-19 solutions outside their normal area of expertise. Industries that have never been compromised by counterfeit in the past have no infrastructure in place to deal with the sudden onslaught they're facing.

Who could have ever predicted that hand sanitizer, gloves, or medical test kits would be worth counterfeiting? Businesses emerging with their innovative solutions may not have the business models, resources, or expertise to know how to authenticate their product and protect end users.

Tesla is manufacturing and distributing face masks; tiny research laboratories are making and allocating test kits; distilleries are producing and shipping hand sanitizer; and most of the CDC-approved suppliers of N95 face masks do not have authentication solutions in place.

But the new and deadly focus of the long-standing problem of counterfeit is real, it's big, it's pervasive, and it will grow. Counterfeit medications, test kits, hand sanitizer and N95 masks are appearing in alarming volumes through raids and have been found on Amazon and eBay. A few current examples include:

- Customs and law enforcement officials recently seized more than 37,000 counterfeit medical devices, of which 34,000 were masks.
- US Customs and Border Patrol seized counterfeit test kits entering the US through Los Angeles and Chicago airports in early March.
- Interpol Operation Pangea is targeted on counterfeit medications, but it also intercepted fake test kits and masks, distributed through 2000 online links advertising items related to COVID-19.



- Interpol has made 121 arrests worldwide seizing potentially dangerous pharmaceuticals worth more than \$14 million dollars.
- FakeSpot has identified counterfeit masks, gloves, hand sanitizer and test kits distributed on Amazon through its third-party reseller channel and as recently as March 4th, Amazon took down 1 million counterfeit COVID-19 products.

We at De La Rue see an opportunity for giants of industry to come together in a shared humanitarian effort to thwart counterfeit COVID-19 solutions.

Such an initiative would bring together four key vectors in a single, collective approach, to:

1. Enable legitimate brands, that manufacture COVID-19 solutions, to designate their product is genuine, monitor that it's going to where it's supposed to go, and empower end users to confidently authenticate whether that potentially life-saving product is genuine or not.
2. Empower enforcement and customs agencies, whose job it is to stop the proliferation of counterfeit COVID-19 solutions, to quickly authenticate the legitimacy of the product, obtain evidence against bad actors, and track where risks are emerging.
3. Proactively protect end users, who are searching for COVID-19 solutions, by broadly promoting genuine solutions and directing end users to participating legitimate brands and genuine product before they're ever put at risk by purchasing counterfeit.
4. Enlighten governments and health agencies, that need to understand where risks of infection may be higher to better allocate limited resources, with COVID-19 solution distribution statistics and heat maps, through the aggregation and analysis of massive data that would be captured.



Who might the likely candidates be to align on these key vectors?

I imagine there are many qualified industry leaders who could help, but if I were to craft the dream team, their attributes would be:

...An industry giant with deep expertise in counterfeit protection technologies and with an understanding of the complexities of global supply chain distribution, revenue and brand protection, customs and enforcement requirements, and at-scale end-user engagement.

(It wouldn't hurt if one of its founders is a prolific humanitarian with a rationally voiced agenda to eradicate COVID-19.)

...An industry giant with enormous capabilities and a business model to engage brands at scale, ranging from mom-and-pop stores to global enterprise organizations, and enable the sale and global distribution of their legitimate products to end-users. (Might help if the founder is the world's richest man who's already given \$100 million to the COVID-19 Response Fund.)

...An industry giant with unparalleled capacity to process 40,000 search queries a second that could help end users around the world find the legitimate COVID-19 solutions they're looking for online, in a fraction of a second. (Would be nice if they'd already partnered with the US government to build a website to help educate consumers on COVID-19.)

...An industry mega-giant who could put the outputs of data on COVID-19 solution distribution, that they currently have zero visibility to, to excellent use toward the world's betterment. (Probably with a three-letter acronym name – one that we're all grateful to have informing us all how to protect ourselves from COVID-19 infection.)

Why do these giants need to come together, instead of every individual industry, brand, and product figuring out its own independent solution to the explosion of counterfeit?

Simple: It's one problem, COVID-19 proliferation exacerbated by counterfeit.

Not so simple: There are multiple industries, dozens and dozens of companies, and hundreds of legitimate COVID-19 solutions, that will be



produced and distributed in the tens of millions per week over the coming months.

Logical: Aligning global giants with leadership positions and expertise in the four key vectors on a universal solution would accelerate its delivery, optimize scarce resources, accomplish it at scale, and simplify life-saving authentication by giving end users and enforcement agencies 1 thing they know to look for.

Not so logical: Hoping everyone, out-for-themselves, on their own, can figure it out in time.

*“One” said Jack Palance as Curly in City Slickers. Choose one thing.
Do it to the best of your ability.*

I humbly add, do one thing to the best of the giants’ collective abilities and get everyone on board.

To learn more about the thinking behind the scope and structure of a partnership of giants in a humanitarian effort such as described, contact sherri.erickson@delarue.com



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