



Authentic | Safe | Connected™
products across the supply chain

“THE BRAND PROTECTION COMPANY”

*Presents peer-based research compiled from 100
interviews with brand protection professionals*

BEST PRACTICES

to Combat Product Counterfeiting
and Diversion

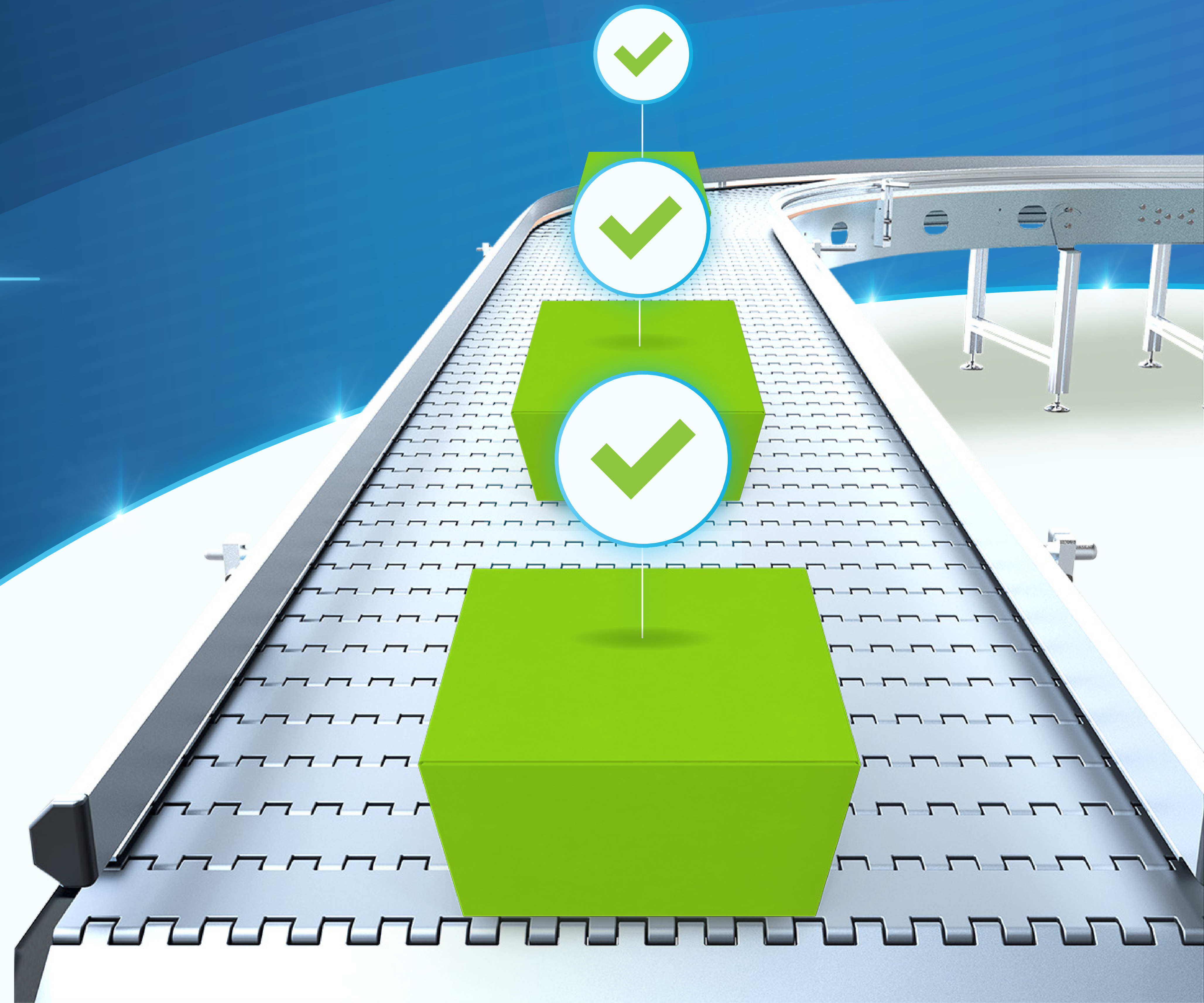


Based on **100 interviews** with
brand protection execs



In highly regulated industries with
complex operating environments:

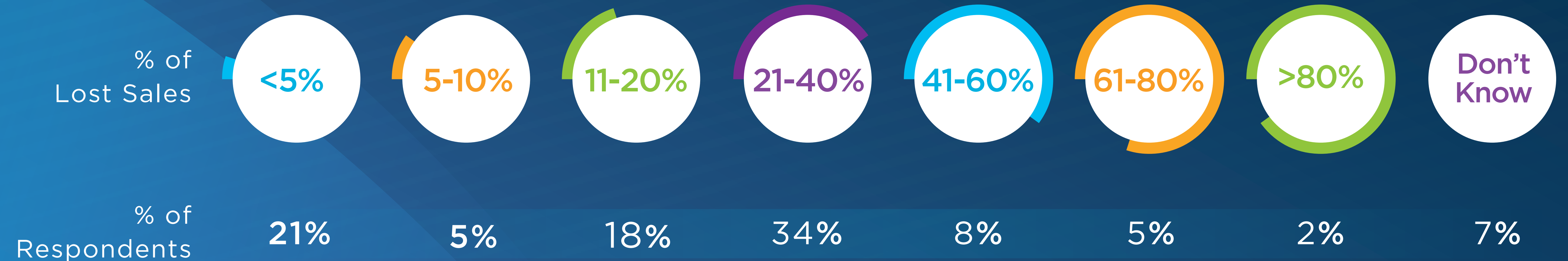
- Consumer Packaged Goods (CPG)
- Pharmaceuticals
- Wine & Spirits



HOW MUCH POTENTIAL REVENUE IS LOST TO COUNTERFEIT GOODS ANNUALLY?

Depends who you ask because estimates vary widely...

All respondents agree it's a large number of lost sales they want back



Total global value of counterfeit and pirated goods is forecast at **\$2.81 trillion** by 2022, a **250% increase** from 2013.

Source: International Chamber of Commerce | [The Economic Impacts of Counterfeiting and Piracy](#) – Report prepared for BASCAP and INTA

THE RESPONDENTS ARE USING A VARIETY OF POINT SOLUTIONS AND COMPANIES ARE SPENDING OVER \$100 BILLION A YEAR!

2%

Yet only 2% of respondents reported that they have a unified program designed to combat product counterfeiting or diversion.

Current technologies respondents use to prevent product counterfeiting/diversion



Point solutions are additive: This means you must add something to the product, which translates to added costs and complexity for your company (88% of respondents suffer through this)



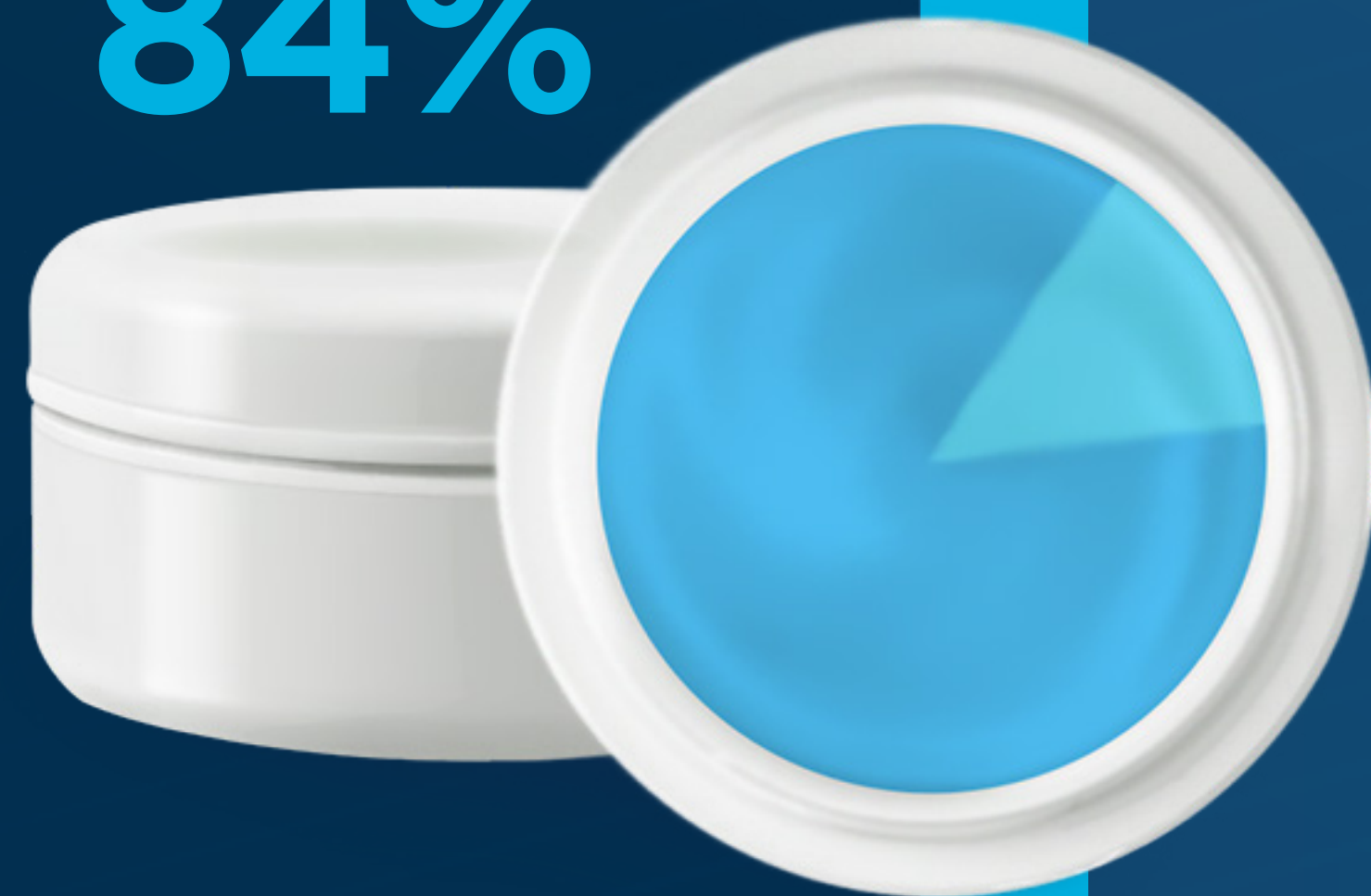
POINT SOLUTION: FAIL!

81%



81% of respondents state that **Serialization is not sufficient** to solve counterfeiting as fake products use replicated barcodes that read the same and provide the same information as legitimate products

84%



84% of respondents state that it takes **30-90 days to become aware of an instance of product counterfeiting** or diversion (By the time the brand owner finds out about the counterfeit product, the counterfeiter moves on to another product)



BRANDS ARE TAKING DESPERATE MEASURES TO PREVENT COUNTERFEITING AND DIVERSION

Luxury Brand Burberry **destroyed \$36 million** in clothes and cosmetics to prevent diversion and counterfeiting in 2018.

Source: The Guardian | Burberry destroys £28m of stock to guard against counterfeits

A TERRIBLE TRIO OF CONSEQUENCES: REPORTED RISKS POSED BY COUNTERFEIT GOODS

RISK FACTOR

1

Revenue



82% OF RESPONDENTS
REPORT THAT

Revenue is significantly
and adversely impacted

RISK FACTOR

2

Reputation



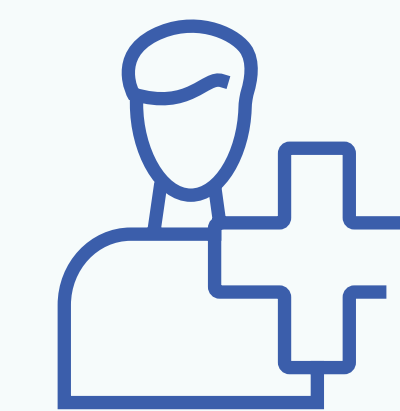
96% OF RESPONDENTS
REPORT THAT

counterfeit goods pose
a significant risk to the
brand reputation

RISK FACTOR

3

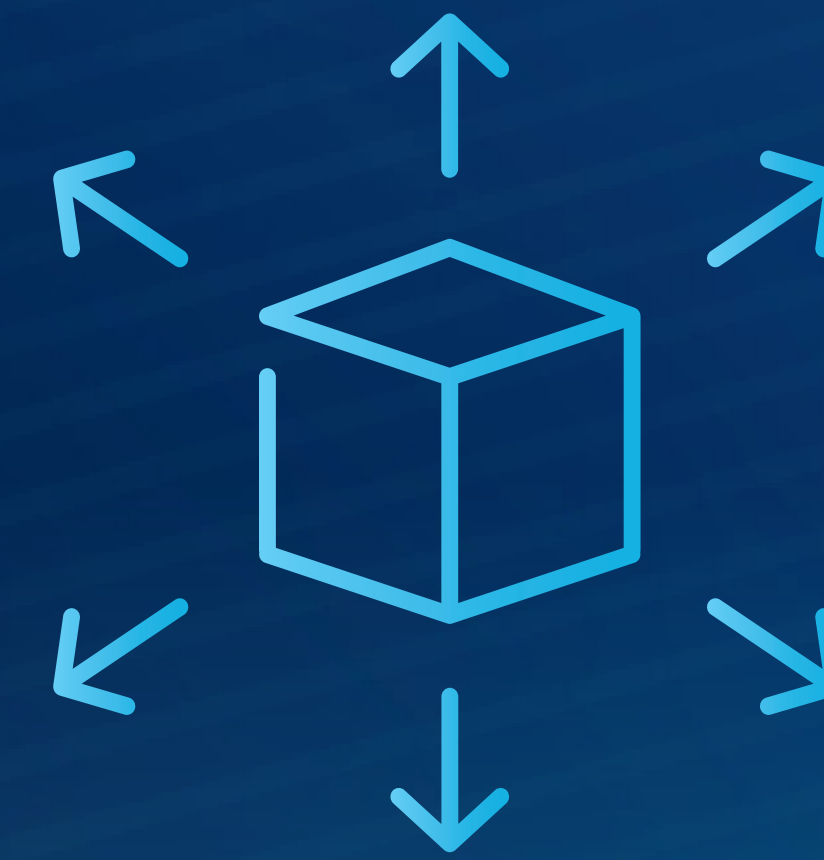
Safety



96% OF RESPONDENTS
REPORT THAT

counterfeit goods
pose a serious risk to
consumer safety

THE ROAD AHEAD IS SECURED BY BLOCKCHAIN



82%

OF RESPONDENTS ARE
INTERESTED IN ADOPTING
BLOCKCHAIN TO SECURE
THE DISTRIBUTION
PROCESS

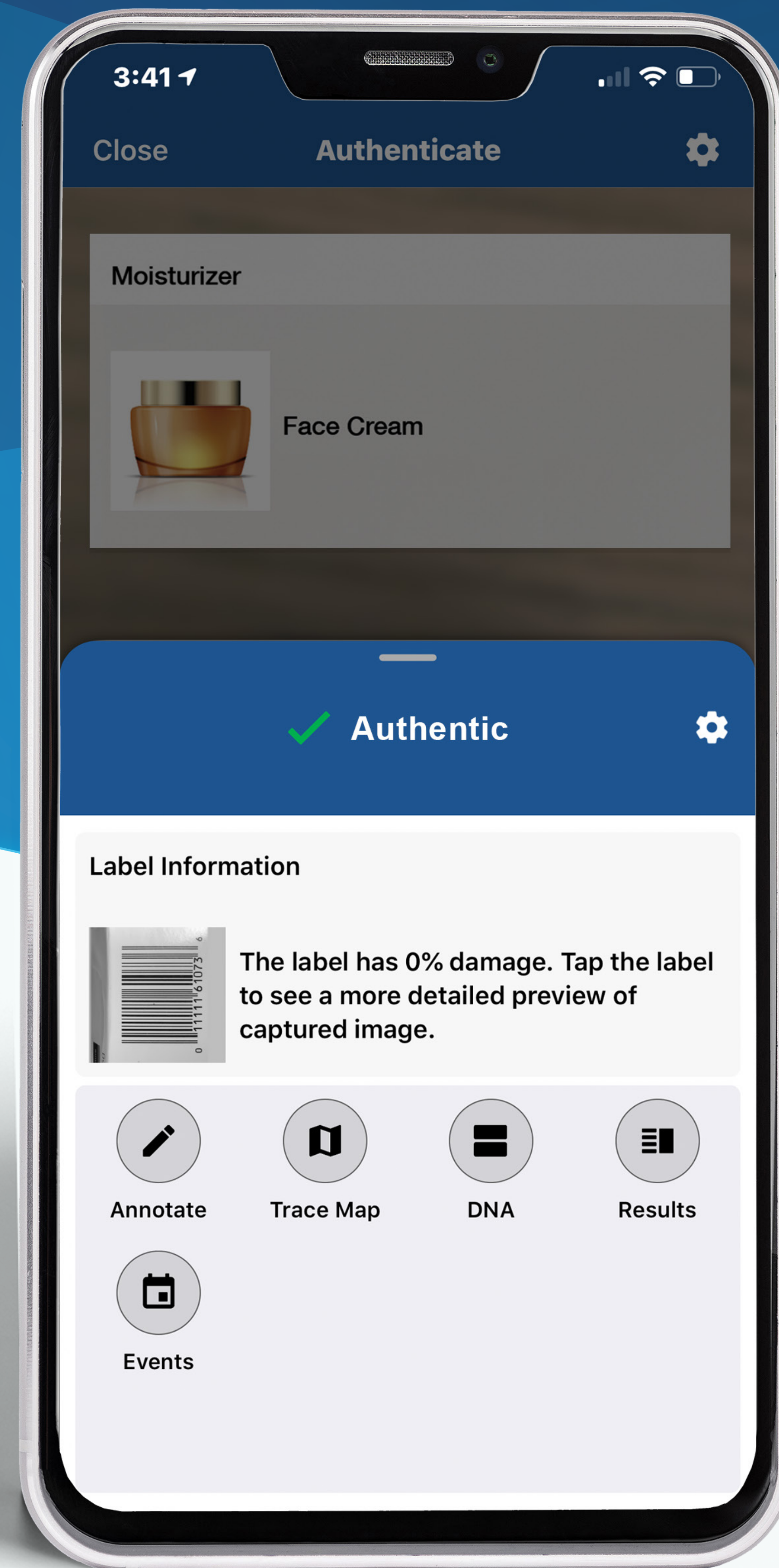
- DeBeers is putting diamonds on Blockchain
- Walmart is putting lettuce on Blockchain
- Skin care products, liquor and Rolex watches are on Blockchain

Connect the Physical to the Digital for Ultimate Security and Complete Trust

The ability to digitally connect physical goods—a process that has traditionally been ‘offline’—is a critical step to achieving ultimate brand safety and protection with Blockchain.



How do you build the missing link to complete the circle of trust in a Blockchain-secured supply chain?



The Systech Brand Protection Suite™

is the first integrated solution to bring together the key pillars of brand protection: serialization, traceability, authentication and insight. And it all starts with a simple package barcode.

We power your barcode to:



**Combat
Counterfeiting**



**Detect
Diversion**

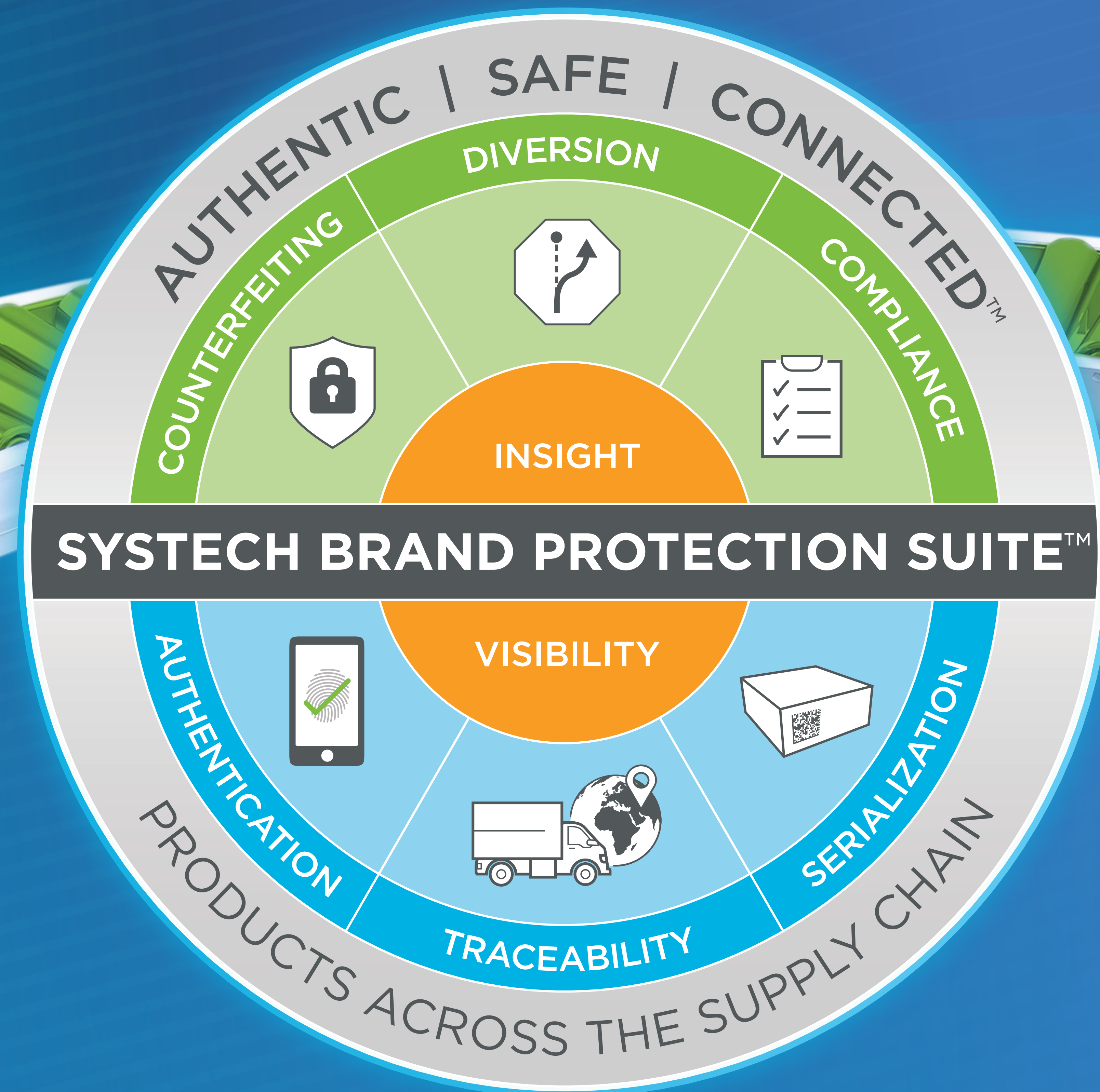


**Gain Supply
Chain Insight**



**Engage
Consumers**

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