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YOUR AUTHENTICATION SOLUTIONS PARTNER

The Holostik Times

Creating A More Secure World Digitally

July - SEPTEMBER, 2017

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Counterfeit Mobile Phones

#holostik





This newsletter is our little initiative to combat counterfeiting. We totally believe in the power of education and awareness. Until we know about a problem and its magnitude, we really can't fight against it.

The Holostik times is one step in that direction. Wittingly or unwittingly, counterfeiting has become a part of our lives and has acclimatised very well. Everybody knows counterfeits comes at cheap prices but how many of us really know the potential hazards that come along with it.

Counterfeiting is a menace; it sabotages the brand image, dupes your precious money, impacts the country's economy, causes loss of tax revenues and other unimaginable negative consequences.

Educating the masses is the prime step against this new disaster that is silently killing all of us without leaving its footprints. We will keep you updated on all the happenings in the Counterfeiting and Anti-counterfeiting world and prepare you well in advance before counterfeits target you or your products.

Hoping to reach out to as many people as possible and making our little share of contribution against counterfeiting.

Thank you for reading!

Umendra Kumar Gupta

Chairman and Managing Director

Holostik Group



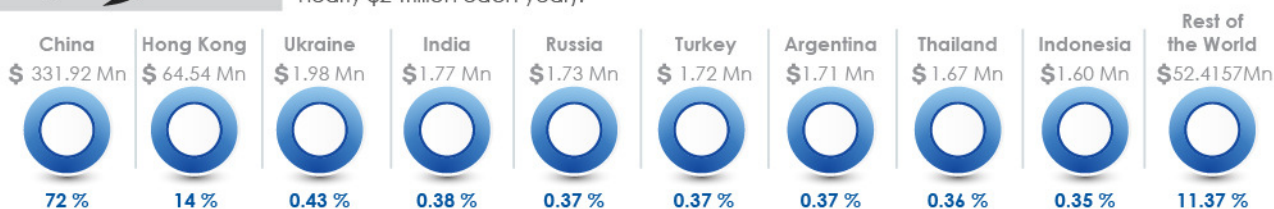
Counterfeiting – The Socio-Economic Devil



The activities of counterfeiting are posing a bigger challenge for enforcement authorities in India and globally. Counterfeit products impact both the producers and the consumers and results in detrimental effects on economies due to decreased innovation, loss of revenues and taxation.

According to a recently published study in 2016 by The Organisation for Economic Cooperation and Development (OECD), global trade-related counterfeiting accounts for 2.5% of world trade or \$461 Billion.

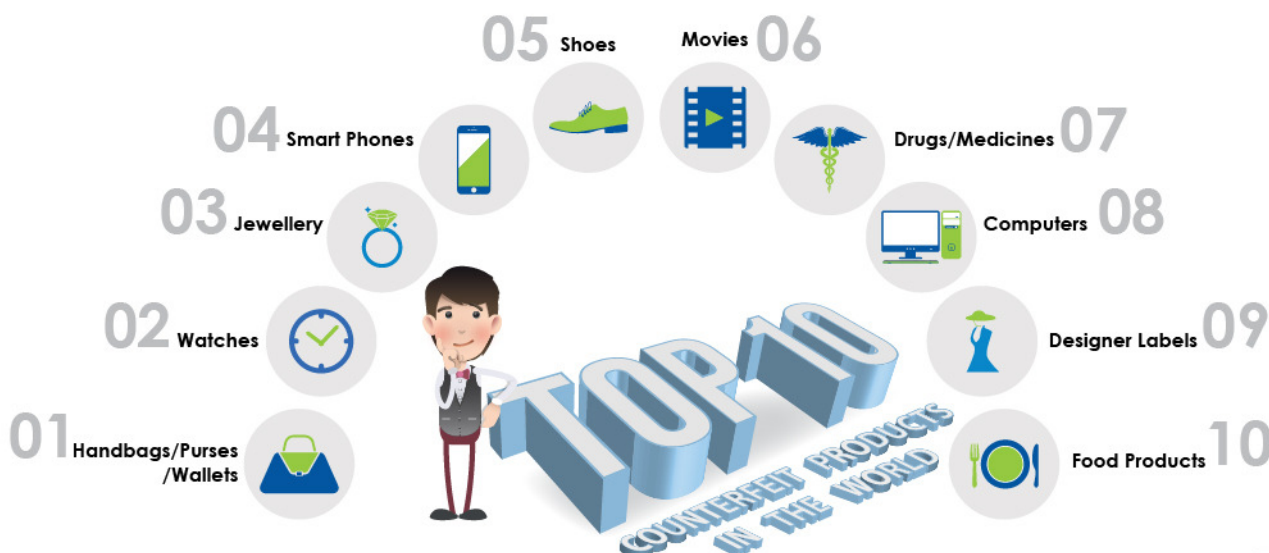
These figures indicate that China and Hongkong are together responsible for some 86% of the import of counterfeit goods into the world's three largest markets (with a shared market value of nearly \$2 Trillion each year).



(Source: - US Customs and Border Protection: European Commission Taxation and Customs Union Japanese Customs Analysis)



According to a study conducted by OECD in 2016, here is a list of the 10 most counterfeited products in the world today.



The Ultimate Leaders of Anti-Counterfeiting Business – Holostik



Holostik was born out of a dire need to fight counterfeiting; a problem that was giving serious businesses and genuine businessmen a run for their money. According to International Anti-Counterfeiting Coalition (IACC), Counterfeiting is a federal and state crime, involving the manufacturing or distribution of goods under someone else's name, and without their permission. Counterfeit goods are generally made from lower quality components, in an attempt to sell a cheap imitation of similar goods produced by brands, consumers know and trust.

According to International Chamber of Commerce, ₹1.7 Trillion is the estimated global economic and social impact of counterfeiting in 2015. There is a 10,000% growth in the problem of counterfeiting in the past two decades says IACC.

Counterfeit goods have spread across multiple industries including apparel, accessories, automobile, education, government, banks, music, software, medications, liquor, cigarettes, consumer goods, toys, electronics and the list goes on.

It is a parallel industry, and if you thought, what harm can a cheap counterfeit product do, well think again! The cheap price usually comes with an extremely high price which is not seen initially.

Made from cheap, substandard and dangerous substitutes, counterfeits can be extremely dangerous to your safety and health. Owing to the global obsession with online shopping, counterfeiters are minting money day and night. Transactions through counterfeit merchants and illegal sites can give a hard hit to your pockets. Counterfeiting promotes child labour, trafficking, and even terrorism. Counterfeiting takes away the hard-earned money and reputation of legitimate companies by selling the fake and cheap replicas of their original products.

Holostik emerged against the perils against counterfeiting and how!

It revolutionised the world with its matchless range of anti-counterfeiting tools. The company that initiated from a

man who wanted to secure the world, gave it the most powerful anti-counterfeiting weapons and always remained a step ahead of the counterfeiters.

With counterfeiting making its footprints deeper and marking its presence everywhere, the solution to combat it have not only become necessary but mandatory. This is where the role of authentication technologies comes in.

Product authentication's role is to ensure that a given product is genuine or counterfeit. The product authentication process during the entire supply chain should be exemplary as manually it is very difficult to identify a counterfeit. The initial point of automated non-destructive product authentication is to insert a special security feature into products like a barcode, QR code, serial numbers etc.

Product authentication can take place at a single piece or at pallet formation or at higher aggregated levels also. As every product has different security requirements, therefore different solutions are needed to secure different product items.

There are still a lot of companies that have not understood the importance of securing their products using anti-counterfeiting products and solutions. Not their fault, nobody realises the importance till they are badly hit by these spurious acts. And honestly, the recovery of brand image and profit revenues take years to get normal after the hard-hit.

Many companies, organisations, governments and educational institutions have switched to securing their products, solutions, documents, ID-cards, currencies etc. by using Holostik's anti-counterfeiting products, IT-enabled solutions and authentication technologies.

The company understands and appreciates the efforts that go to make a brand popular and reap benefits out of it and therefore urges every company; irrespective of its size to safeguard their products and make them counterfeit-proof.

Holostik aims to integrate innovation and technology to protect the value of their partners' brands and in the process, create a more secure world.

DID YOU KNOW?

01

In 2013, Nike was the most imitated brand, Apple stood second

02

In August 2011, 22 fake apple stores were operating in China

03

According to the World Health Organisation (WHO), 30% of medicines in developing countries are fake

04

There is a museum of counterfeit goods in Thailand

05

Counterfeiting was once punishable by death




SCREEN IT YOURSELF!

Milk

Milk is commonly adulterated with unhygienic water, chalk powder, soap powder, urea, starch etc. It can cause problems like vomiting, nausea, food poisoning, heart problems and even cancer.



Test

Put a drop of milk on a slanted surface. If the drop leaves a white trail, it is a good sign of the milk being pure. But, if it fails to leave the trail, it is adulterated.

On heating, if the milk turns yellow and leaves a bitter and soapy kind of aftertaste, there are huge chances that the milk has synthetic substances added to it.

Ice-Cream



Ice-creams are commonly adulterated with washing powder. Eating contaminated ice-creams can cause serious liver and stomach disorders.



Test

Add a few drops of lemon juice to it, if the ice cream starts to froth, it clearly indicates the presence of washing powder in it.

Security Holograms- The Best and Low-Cost Anti-Counterfeiting Devices

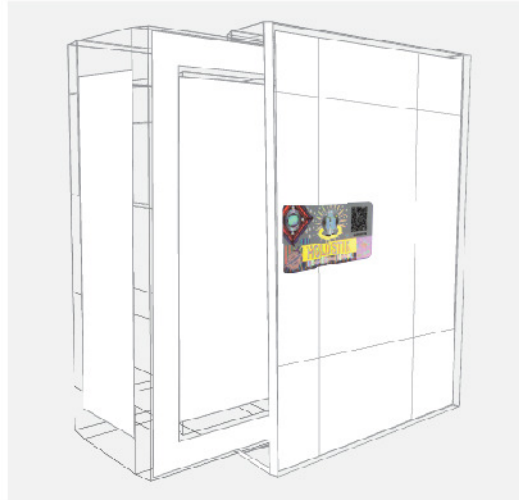
There is a flood of counterfeits everywhere. The stores, local vendors, online e-commerce websites are all swamped with counterfeits and knock-offs.

Every day, the newspapers are filled with news related to huge revenue losses because of counterfeiting. Counterfeiting is a menace for everyone. Nobody really benefits from it besides the counterfeiters. When counterfeit products reach the market, the consumers are duped because they buy it thinking of something else. Nonetheless, these products have serious safety issues involved.

The manufacturers of the original products are hit the most. Their highly branded stuff is sold at the price of peanuts posing serious revenue losses and the brand reputation is all gone for a toss. As for the retailers, they are always fearful of the consequences of selling counterfeits and are never able to do fair or fearless business.

Despite having strict and stringent litigations, laws and rights against the counterfeiters and for safeguarding the Intellectual Property Rights, the counterfeiters always come out with easy options to continue their unlawful businesses successfully.

The ultimate challenge arises that amidst the current scenario, how do one protect their products and brand reputation? Well, the easiest and cost-effective answer is the use of



security holograms.

Security holograms are perfect anti-counterfeiting tools that have come a long way in fighting counterfeiting. These are low-cost security devices with unique designs and are off late being used widely by manufacturers of almost all products.

Holograms find its application in almost all industrial sectors including industrial, commercial and residential. It is one of the best devices to combat forgery.

Some of the benefits of using holograms are

- 01 These are cost-effective and easy to apply
- 02 Tamper-evident feature – if any attempt of opening the product is made, it is easily visible
- 03 Exhibits multiple security features and functions
- 04 An additional layer to secure your products
- 05 Made using advanced technologies, hence very difficult and expensive for counterfeiters to copy
- 06 Manages the supply chain effectively when paired with QR code or barcode
- 07 Demotivates counterfeiters to replicate your product

As the problem of counterfeiting has spread globally, it is no longer a choice to safeguard one's product. It has become vital for companies to protect their products and brand reputation from the reach of counterfeiters.

Holostik has been the leader in providing security holograms and other anti-counterfeiting products and solutions from the last 26 years. We make tailor-made holograms suiting your needs and requirements. We have holograms for all your products, needs and requirements. You name it, we have it.

Event & Expos

PHARMASAFE INDIA, MUMBAI



14th and 15th September, 2017

RICE TECH EXPO, BIHAR



08th to 10th September, 2017

LABEL EXPO, BRUSSELS



25th to 28th September, 2017



BLOG KS

The Profitable and Dangerous Business of Counterfeit Mobile Phones

The world is obsessed with mobile phones and so are the counterfeiters!

People with their faces down and phones in their hands have become the most common scenario nowadays. You will hardly spot anybody without these tiny gadgets. Our household chores, our office work, our social lives everything now revolves around mobile phones.

No Mobile Phones, No life, is the upcoming motto!

Unfortunately, this voracious growth of mobile phones has made this industry extremely lucrative for counterfeiters too.

According to The Organisation for Economic Co-operation and

Development (OECD) report, nearly one in five mobile phones shipped internationally is a fake.

Counterfeit mobile phones pose serious risks to health and safety, service outages and loss of income for companies and governments. China is the main source of fake electronic goods, and US manufacturers are the most hit by lost revenue and erosion of brand value.

Despite the severity of the problem, nothing concrete has been done so far to understand the problem and to provide appropriate solutions for it. There is a dearth of information among the consumers about the serious consequences of using fake mobile phones.

To fight back against the problem of

counterfeit mobile phones, we need to first understand the difference between a counterfeit mobile phone and a sub-standard mobile phone.

A counterfeit mobile phone is an identical replica of the original brand for all practical purposes. These phones infringe trademarks and are created with the sole intention to fool customers.

A substandard mobile phone is a category of mobile phone which might resemble an original brand but carries no explicit branding like it. It can easily be distinguished from an original.

People treat counterfeit phones as the real threat but it is equally important to address sub-standard phones also as these pose equal dangers to the users.

Let's understand the negative impact of counterfeit/ sub-standard phones on the society:

01 A lot of hazardous substances are found in these phones like Cadmium, Tin and Lead which can pose several harmful effects to the users.

02 The phoney gadgets do not undergo any extensive testing and compliance assessments before they are sold. These tests and certifications are important as they confirm that the products are safer to use.

03 The counterfeit mobile phones are made up of poor quality components and do not work properly and cause interference with the network.

04 These phones are sold without warranty and come with no exchange clauses. Therefore, the user has no recourse in case the product fails to work.

Counterfeit mobile phones have become a multi-billion dollar industry and also causing billions of losses to the economy, government and industry.

Counterfeit mobile phones create huge societal problems and hamper the health and safety of the users, environmental safety, security, quality and loss of tax revenues to the government and promote unfair competition in the market.

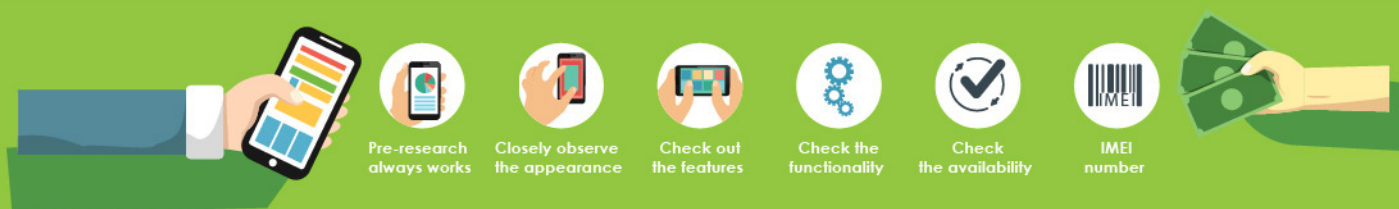
The government needs to take a bold action instead of traditional practices to combat such precarious practices and come out with an effective plan of action to stop them. Some of the countries have come out effective solutions which are showing good results. Our country to start adopting a strategy that best suits the requirement of our country.

Know The Difference Between an Original And a Fake Mobile Phone

A counterfeit phone imitates all facets of an original phone. The counterfeiters leave no stone unturned to make the product look genuine. Right from the brand's logos, appearance, outer body, packaging, accessories etc. Everything is copied.

With the advent of internet shopping, half the world purchases the phone online. Therefore, it has become very important to identify the difference between genuine and fake.

Here are a few simple tips to help you identify whether a phone is genuine or fake



- Pre-research always works
- Closely observe the appearance
- Check out the features
- Check the functionality
- Check the availability
- IMEI number

It is always preferable to buy a phone through a registered retailer who can vouch for your phone's authenticity

RBI Received ₹ 15.2 lakh Crore of Scrapped ₹ 500 and ₹ 1000 Notes



Recently, The Reserve Bank of India has revealed that it received ₹15.2 lakh crore worth of scrapped currency notes of ₹500 and ₹1000 after the country witnessed demonetisation. It is the first time that the bank has made such a revelation following the announcement that shook the nation on 8th November 2016.

RBI further added that almost 99% of the old ₹500 and ₹1000 notes have been returned to the banking system. The bank also said that it will soon release currency of lower denominations to bridge the gap between ₹100 and ₹500 notes. The bank has already released new ₹200 and ₹50 notes which promise to meet the increasing cash supply.

Exchequer Incurs Huge Losses Owing to Counterfeit Tobacco – FICCI Report



According to a recent study released by FICCI, the illicit trade related to tobacco has led to a loss of ₹9,139 crore to the exchequer. Several other losses due to illicit trade of mobile phones at ₹6,705 crore and alcoholic beverages at ₹6,309 crore have also been boreed by the exchequer.

FICCI has also established a strong relationship between high taxes and availability of illicit products in its study.

In the report, titled 'Combating Counterfeiting and Smuggling – An Imperative to Accelerate Economic Development for the period 2014-15, FICCI has stated high tax rates creates demand for cheap and counterfeit substitutes. Those involved in illicit markets come out and supply reduced versions of the original product at lower prices.

The report has also stated that Gujarat has always been a hot spot for counterfeiters due to factors like having a vast coastline and bordering with Pakistan and has seen a lot of seizures in the past few months of smuggled goods such as gold, cigarettes etc.

Tampering of Mobile Phone IMEI Number Might Now Land You in Jail



To put an end to the growing fake phone IMEI issue, the Indian Government has made it a penal offence and the guilty will be liable to pay a heavy fine and up to three years of imprisonment or both depending on the severity of the issue.

The law has been passed to check counterfeiting of 15-digit IMEI (International Mobile Equipment Identity) numbers thereby making the act a punishable offence.

IMEI numbers tampering has become a serious issue as duplication often results in deactivation of wrong mobile phones. This has also intruded with interception of criminals and terrorists mobile phones.

The DoT's Telecom Enforcement Resource and Monitoring Cell found around 18,000 handsets using the same IMEI number in an IMEI-tampering investigation, recently.

A new law has come up, "The Prevention of Tampering of the Mobile Device Equipment Identification Number, Rules, 2017," combining Sections 7 and 25 of the Indian Telegraph Act.

The former gives the DoT the power to frame rules related to conduct of telecommunication or telegraph services and the latter allows them to handle mobile-tampering issues by making it a penal offence that entails jail term.

UPCOMING EVENTS

01
Mascrade 2017 - FICCI Cascade
 12th - 13th Oct '17 | New Delhi

02
Indiapack Pacprocess
 26th - 28th Oct '17 | New Delhi

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