



The Seal of Genuineness

HOLOSTIK

YOUR AUTHENTICATION SOLUTIONS PARTNER

The Holostik Times

Creating A More Secure World Digitally

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02 ISSUE 03 VOLUME

PROPEL YOUR BUSINESS GROWTH WITH HOLOSTIK'S LOYALTY MANAGEMENT SYSTEM



P3

WHAT ARE THE REASONS BEHIND THE GROWTH OF COUNTERFEITING



P4

SCREEN IT YOURSELF!



P5

IT-ENABLED SOLUTIONS-LOYALTY MANAGEMENT SYSTEM....



P6

HOW TO VOID FAKE PRODUCTS

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It gives me immense pleasure to present before you the latest issue of Holostik newsletter. I am also happy to share with you that we have received enormous feedbacks and support from our readers.

The current issue includes a wide variety of topics and facts on the growing problem of counterfeiting in different industries. From the menace of duplication in the Agro industry to the reasons behind the growth of counterfeiting and a section on our IT-enabled loyalty management system – the newsletter intends to cater to the varying interests of the readers.

The anti-counterfeiting industry is witnessing positive changes as business organizations are becoming more conscious of the problem of counterfeiting and are adopting anti-counterfeiting technologies. Holostik kept up the pace with the growing demands of the anti-counterfeiting business and continued its wonderful journey.

Just like the previous years, Holostik is all set to participate in major events which will be taking place across India. Holostik believes in securing industries worldwide from the menace of counterfeiting. We hope to receive valuable feedbacks and suggestions from you so that we can further improve and meet up to your requirements.

Thank You for reading!

A handwritten signature in blue ink, appearing to read 'Umendra Kumar Gupta'.

Umendra Kumar Gupta
Chairman and Managing Director
Holostik Group



COUNTERFEITING IN INDIAN

AGRO INDUSTRY

There has been an upscale growth of spurious agrochemicals and fake agro products which are ruining the overall crop yield badly. These fake products harm the harvest, the soil, environment and the economy of the country.

One of the biggest reasons for the rise in counterfeiting of different agrochemicals is the huge demand. Spurious pesticides make up almost a quarter of the market, exposing farmers, their harvest and the environment to harmful side-effects.

Use of counterfeit pesticides has spread across India, predominantly in the agrarian parts of Uttar Pradesh, Bihar, Madhya Pradesh, Jharkhand, Karnataka, Haryana, Maharashtra, Tamil Nadu and Andhra Pradesh.

Since, spurious agrochemicals are cheap and easily available farmers purchase them on a large scale. Moreover, these chemicals are either ineffective or leave many side effects on the crops. According to industry experts, the formulations do work as pesticides but also leave traces of by-products that badly affect the soil and the environment.

POINTS TO PONDER

- (Source: FICCI)

The current market of non-genuine/ illegal pesticides in India is ₹ 3,200 crore
- (Source: FAO-WHO joint meeting)

Percentage of spurious pesticides in developing nations like India is 30%
- (Source: FAO-WHO joint meeting)

Percentage of spurious pesticides in European nations is around 5 to 7%
- FAKE**

Fake agro products cause big losses to the legitimate manufacturers
- Spurious pesticides threaten the health and livelihoods of farmers**
- Under the Insecticides Act 1968, monitoring the quality of pesticides is the shared responsibility of both the Central & State Governments**

WHAT ARE THE REASONS BEHIND THE GROWTH OF **COUNTERFEITING**?



Counterfeiting is a global problem which is growing on a rapid scale devouring economic growth and affecting the society badly. According to a report by the OECD and the EU's Intellectual Property Office, "The value of imported fake goods rose to \$509 billion in 2016, up from \$461 billion few years ago."

The report also states, "Global sales of counterfeit and pirated goods have soared to \$522 billion a year, amounting to a whopping 3.3 per cent of world trade." Different experts cite different reasons behind the growth and expansion of counterfeiting but there are a few main reasons which are responsible for its monstrous growth.



THE TREND OF KNOWINGLY BUYING FAKES:

One of the biggest reason behind the rise of fakes is that there is a big market for it. The rise of luxury brand value has deeply steeped in the hearts of millions and the only possible way to afford it is to buy a fake luxury product, which satisfies one's obsession for costly goods and is affordable at the same time. There are a large number of people buying fakes compared to the ones who unknowingly fall victim to counterfeit products. Moreover, counterfeits offer a high-profit margin for distributors and retailers compared to genuine products.



POOR IP LAWS AND WEAK MONITORING OF SUPPLY CHAINS:

The governments in different countries need to make stringent intellectual property laws and should equip authorities with advance mechanisms to monitor supply chains. Perhaps, one of the reasons behind the flourishing counterfeit business is due to the absence of these two steps. In the presence of strict IP laws, the chances of copyright violations come down drastically and curb the practice of counterfeiting. Besides, government authorities should also be equipped with advanced monitoring technologies to look out for any loopholes.



THE RISE OF COUNTERFEIT BUSINESS ON THE WEB:

Nowadays, counterfeiting has intruded the online marketplace. We regularly encounter spurious websites and social media links on the web which showcase alluring deals on different kinds of products. But do we really know how the product actually looks like? According to the International Trademark Association, "Criminals prefer to sell counterfeits on the Internet for many reasons. They can hide behind the anonymity of the Internet & with the Dark Web even their IP addresses can be masked. The Internet gives them the reach to sell to consumers globally-outside of the national limits of law enforcement."



THE GROWTH OF FREE TRADE ZONES:

Another factor behind the growth of counterfeiting worldwide is the rise of free trade zones in different parts of the world. Free trade zones provide tax advantages and other exemptions which help to boost the economy of the host country. However, it also leads to a rise in counterfeiting and piracy, as there are little checks and easy transport facilities available in these zones.



LACK OF USE OF ANTI-COUNTERFEITING TECHNOLOGIES:

Many organisations do not take counterfeiting seriously and they ridicule the use of anti-counterfeiting technologies. However, the fact is that duplication eats their business from within like cancer and at times the financial damage is huge. It is high time that organisations utilise the power of anti-counterfeiting technologies to deter counterfeiters from sneaking into their profits.

DID YOU KNOW



Source: ASPA

Counterfeit products cause a loss of over ₹ 1-lakh crore annually in India.

Source: FICCI CASCADE

Approx. 80% of consumers don't even know they are using fake products.



SCREEN IT YOURSELF!



COUNTERFEITING IN THE FRAGRANCE INDUSTRY AND HOW TO FIND IT

With counterfeiting growing its tentacles in every industry, the fragrance industry is also facing its wrath. One can easily get fake products online. Most consumers are unaware that highly sophisticated knockoffs are also finding their way into retail shelves. Counterfeiters are easily available to sell fake fragrances on different platforms.



Besides leading to a loss of income to legitimate sellers there are many health risks associated with the same. Duplicate perfumes are not properly tested and contain a lot of chemicals and adulterants. This creates the potential for all sorts of nasty surprises. Counterfeit fragrances cause all sort of problems like causing a rash on people with sensitive skin, burning the skin, staining clothes and lead to respiratory problems.

There are a number of instances where people buy a whole lot of perfumes and 'attars' both offline and online and many times it is not possible to determine their genuineness. Counterfeiters also use different types of chemicals which are quite toxic in the long run. There are certain points according to Choice.com which must be kept in mind while buying fragrances from the market.



WAYS TO CHECK THE GENUINENESS OF YOUR FRAGRANCE



1. What does it cost? If the price seems too low, chances are it's not the genuine article.

2. Where's it being sold? Street corner, flea market, suspect online website? If it looks dodgy, it probably is.

3. Look at the packaging. Are there any misspellings? Does the country of origin match the country usually on the product? Is the printing or cardboard of poor quality? If you've got an old box, take it with you for a comparison when you're shopping.

4. If you can, look at the contents. Are there differences in colour or consistency from the normal product? It should be clear and not overly oily.

5. How does the product smell? It shouldn't be bitter or sour. Spray some on a piece of cardboard, then go away for half an hour. Does the fragrance last?

6. Ensure the seller guarantees the perfume is 100% genuine (some offer a certificate of authenticity) and has a return policy if you're not happy with the product.



IT-Enabled Solutions- Holostik's Loyalty management system

Among the many alluring marketing concepts, loyalty management or reward management has shown effective results in different industries. In his book 'The Loyalty Effect' Frederick Reichheld says, "The greater the loyalty a company engenders among its customers, employees, suppliers, and shareholders, the greater the profits it reaps."

WHAT IS LOYALTY MANAGEMENT?

In simple words, the loyalty management involves a set of activities for better serving customers. It helps companies to acquire, engage and retain their customers. Moreover, the process also helps in better understanding of the relationship between the customers and the company's business.

Loyalty management aims to fairly reward people by making and implementing strategies and policies that can act rightfully and consistently in accordance with their value to the company.



WHAT'S BEHIND AN IDEAL LOYALTY MANAGEMENT STRATEGY?

A loyalty strategy should be formulated in such a way that it clearly defines the reward elements and the customer knows what they should expect to receive and why? Loyalty management is not just a way to reward loyal customers but, also helps in increasing sales drastically and generate profits.

LOYALTY MANAGEMENT SYSTEM FROM HOLOSTIK

Holostik provides a unique code printed on a smart holographic label/ smart hologram to its clients by which they can effectively monitor their reward management systems. It will not just keep track of all the loyal customers and rewards to be given but will lead to increased customer satisfaction and fair distribution of rewards.

THE PROCESS



1 The products are secured with a smart holographic label/smart hologram printed with a unique QR code.



2 On purchasing the product, the consumer authenticates the product by scanning the QR code.



3 After authentication, the user gets alerts for various rewards and notifications.



4 The database is updated regularly, and the customer gets regular updates pertaining to rewards.





What you should do to avoid fake products?

The first line of defence against counterfeiting is the awareness against duplicate products. It is highly important for you to get acquainted with the information which will help you in identifying fakes products to a large extent however, it is not completely possible to spot fakes. Here are some points which you must keep in mind to determine the genuineness of a product:

Look closely at the labels and packaging

Look at the labels, packaging, printing and the text closely. If you notice any flaw in the spellings, grammar, print quality or any other discrepancies then it could be a sign of counterfeit. Also, be cautious of products that include a 'Made in China' unless and until the product is merchandise manufactured in China, perform a web search for it.



Buy from an authorised dealer

Always go for an authorised dealer while purchasing or replacing products. This is highly important in a scenario where you are purchasing or replacing spare parts for automobiles and other items.



Are there no taxes?

Always be cautious of deals which allow you to purchase without value added tax, sales tax etc. This is usually in case of counterfeits which evade huge amount of taxes every year.



Purchase from a secure e-commerce website

Try to avoid purchasing from websites that do not have https in their domain. The 's' in https stands for secure which is generally used by authorised and credible websites. Legitimate retailers will always ensure that their customers buy through a secure setting and are not duped with counterfeits.



Is the deal too good to be true?

One of the biggest giveaways for consumers is that 'a deal is too good to be true'. Seasonal discounts or factory prices are fine but if the prices are too low compared to the regular price of the product then there are high chances that the product is a counterfeit. Take a cue from this and thoroughly check the labels and tags of the product.



Look for holographic and digital authentication

Last but not least is to visually identify security holograms or digitally authenticate QR codes and bar codes printed on the product. Due to the rise of counterfeiting, companies are using security holograms and QR codes on their products. Security holograms are 3D holographic devices with optical properties and show different images or features corresponding to the angle of viewing. Try to view the holograms from different angles and you will be able to notice the different colours and images in it. There are also other covert features which can only be viewed with special instruments. For QR code authentication you will require a QR code scanning mobile application which will determine the genuineness of the product.

Holostik showcases its products at Labelexpo Europe in Belgium



Holostik which is one of the pioneers of hologram manufacturing and anti-counterfeiting solutions in India displayed its wide range of packaging and anti-duplication solutions at Labelexpo Europe, Brussels, Belgium. Considered as one of the biggest events for the packaging industry in Europe, the exhibition took place from 24th September to 27th September 2019, 9:30 AM onwards, at Brussels Expo in Belgium.

Around 600 exhibitors took part in the biggest label and package printing event in the world. Over 200 of the exhibitors were new this year and displayed their latest innovations to an international buyer audience of printers, suppliers, brand owners and designers.

Labelexpo Europe 2019 also presented the largest offering of technologies and live demonstrations seen till date, with

an increasing number of product launches for the fast-growing areas of hybrid printing, flexible packaging and automation. The event was visited by important decision-makers and specifiers from the top and middle management of various industries.

Holostik displayed its latest packaging and anti-duplication solutions at the event which included security holograms, security pouches, holographic wads, shrink sleeves, security labels, wide web films and much more.

Holostik aims to secure various kinds of products from the menace of counterfeiting and help companies achieve their targeted growth. Participants at the event witnessed and understood the uses and benefits of different kinds of packaging and anti-duplication solutions.

Holostik steals limelight at SCM Pharma Summit in Mumbai



Holostik which is one of the pioneers of hologram manufacturing and anti-counterfeiting solutions in India displayed its wide range of packaging and anti-duplication solutions at SCM Pharma Summit in Mumbai. Considered as one of the biggest events on supply chain management in Pharma industry, the exhibition took place from 24th to 25th September 2019 at the Westin in Mumbai.

SCM Pharma Summit is India's biggest event for supply chain management in the Pharma industry. The summit aims to highlight the strategies, practices, and tools in place to enable organizations to boost their supply chain procedures and achieve a competitive advantage with a special focus on digitization. Designed keeping in mind the current trends in the industry as well as strong research, the conference promises to be a single platform for decision-makers as well as influencers to learn, meet, interact and explore

opportunities to grow the business.

The event was visited by important decision-makers from the top and middle management of the pharmaceutical, nutraceutical and supplement industries. At the two-day event, Holostik displayed its latest anti-duplication solutions at the event which included security holograms, security pouches, holographic wads, shrink sleeves, security labels, wide web films and much more. The company also displayed its cutting-edge IT-enabled supply chain management solution which not just secure the products and supply chain but also help in the monitoring and management of supply chains.

Mr. Dewakar Mahendru Assistant Vice President, Solutions Business, Holostik also showcased an intriguing presentation on the 'importance of blockchain in supply chain management'.

UPCOMING EVENTS

Propak India Trade Shows-Mumbai
22nd-24th Oct. 2019, Chennai



Authentication Forum
7th - 8th Nov. 2019, New Delhi



AgriFest, Lucknow
7th - 9th Nov, 2019 Lucknow

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Rice Pro-tech Expo
Kakinada AP - 8th - 10th Nov 2019

"International Crop-Science Conference & Exhibition"
Gurgaon-Haryana - 14th - 15th Nov 2019

CPHI & P-MEC
India Expo Marri-Greater Noida-UP - 26th - 28th Nov 2019

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