

Case Study:

Internet Monitoring for the Luxury Industry

Business Challenges

A global luxury brand has established a worldwide retail presence with operations in all major regional markets. The product range is diverse, from apparel and leather goods to jewelry and accessories. The brand only sells through its authorised retail outlets, licensees and authorised online retail channels.

Over the past few years, the brand has grown in size and reputation with a range of desirable items that has attracted a loyal following of consumers, as well as the attention of counterfeiters.

The brand faced erosion of its brand reputation from the sale of counterfeit and substandard goods on auction websites such as eBay. The company sought to implement an online brand protection strategy to support its enforcement activities. The key objectives were to protect its intellectual property, reduce the availability of counterfeits sold, and combat unauthorised sales.

OpSec Solution

The luxury brand company selected OpSec to provide managed services for Internet monitoring. The enforcement program included takedowns of infringing listings found on B2C auction sites and B2B trade boards selling large quantities of finished goods.

OpSec searched and monitored B2C and B2B platforms for suspicious listings. Immediate and measurable actions were performed to takedown listings and send out warning letters, where appropriate. The highest risk listings were investigated further to provide **detailed seller history information** and seller contact details, and ultimately the removal of dubious accounts working with payment platforms. OpSec worked closely with the luxury brand's legal partner to provide a **work flow for the cease and desist process**. In some instances, further action was required; this included close liaisons with law enforcement authorities in different regions. OpSec also provided a global test purchase service to establish evidence for any other necessary legal action.

OpSec provided **seller network analysis** to establish relationships between sellers on different platforms and finding the links to the biggest players. OpSec also monitored **repeat offenders** for further infringements and worked with the Internet trading platforms to permanently remove these sellers.



Business Benefits:

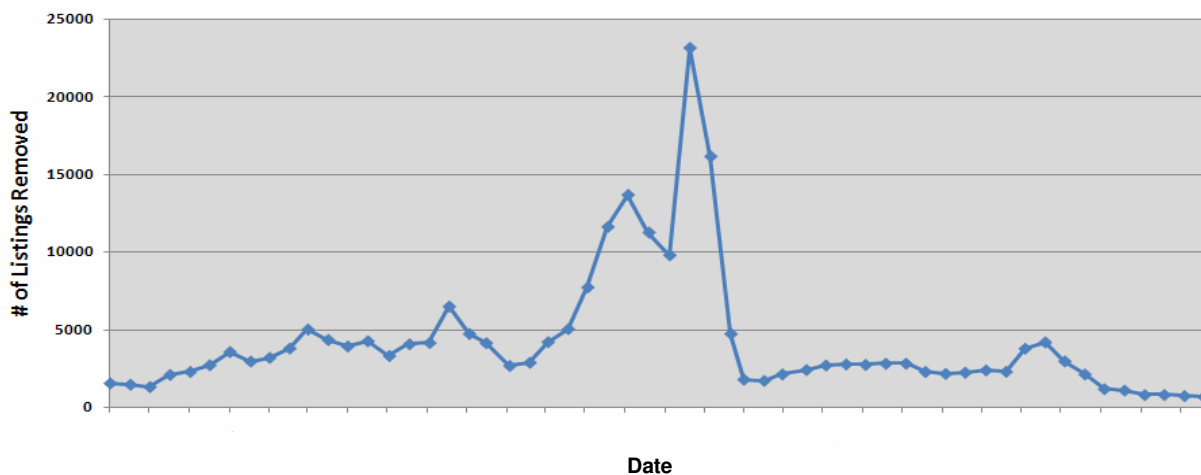
The luxury brand showed a measurable reduction in cost in outsourcing their online brand protection programme. The increased efficiencies and widened scope added with OpSec resulted in the largest infringers, who posed the highest risk to the brand, being uncovered and subsequent action taken.

Specific actions that provided business benefits included:

- **Automatic takedowns** reduced the availability of counterfeit products in the marketplace
- **Seller link analysis** provide valuable intelligence on counterfeit networks for further investigations
- **Online case management dashboard** increased workflow efficiencies and provided real-time access of online data by entire global team in one central data repository

In a four-year period, over 200 thousand listings were removed with an estimated value of goods terminated in a single year at \$4.5 million USD.

eBay Listings Removed Over 4-Year Period



The increased efficiencies and effectiveness of OpSec's Internet monitoring and enforcement program led to:

- **Reduction in cost** to operate online enforcement program
- **Significant reduction in availability of counterfeit** products on most visible ecommerce platforms
- **Reduction in financial loss** from counterfeit sales and unauthorized distribution
- **Preservation of brand integrity** and prestige amongst consumers