

Case study – Brand Protection for Industrial Electronics

INDUSTRIAL ELECTRONICS COMPANY INCORPORATE SECURITY LABELS ONTO PRODUCTS

How is Nabcore able to help Industrial and Electronics Company to prevent loss revenue due to fakes, engage distributors and consumers?

Overview on the issues of the brand owner:

Situation	Issues	Implication	Need/Opportunity
<ol style="list-style-type: none"> 1. Large number of fake, & illicit products found in China & Asia. 2. Poor performance of previous solution implemented. (Normal Optical hologram) – Physical security only. 	<ol style="list-style-type: none"> 1. Unable to identify fake products readily. 2. Brand owner has to even bring the products back to do lab test before they can ascertain. (Time consuming) 	<ol style="list-style-type: none"> 1. Frustrations from Management/ Authorised Importers/Distributors , Custom officers. 2. Loss of revenues and customers 3. Faced product liability and continuous complains of product non-performance due to Fakes. 	<ol style="list-style-type: none"> 1. Fast and Easy identification of genuine products. 2. Prevent counterfeit products 3. Easy incorporation for existing production line & system used

PROFILE OF CUSTOMER:

A global industrial electronics company who provides quality electrical network infrastructure components. Their products are being distributed worldwide. Due to their great quality and innovative products, the products are often being a target by counterfeiters. Customers have difficulties to determine the genuine ones from fakes in the market.

CHALLENGES:

- Security labels that allow for 1 time authentication only.
- Allow checking by distributors and end customers anywhere, anytime
- Only registered users can verify

THE BUSINESS ISSUES:

- Lack of verification features on the product for distributors and customers to authenticate easily
- Lack of visibility in Supply Chain distributions.
- Loss of rightful revenue and market share due to counterfeits

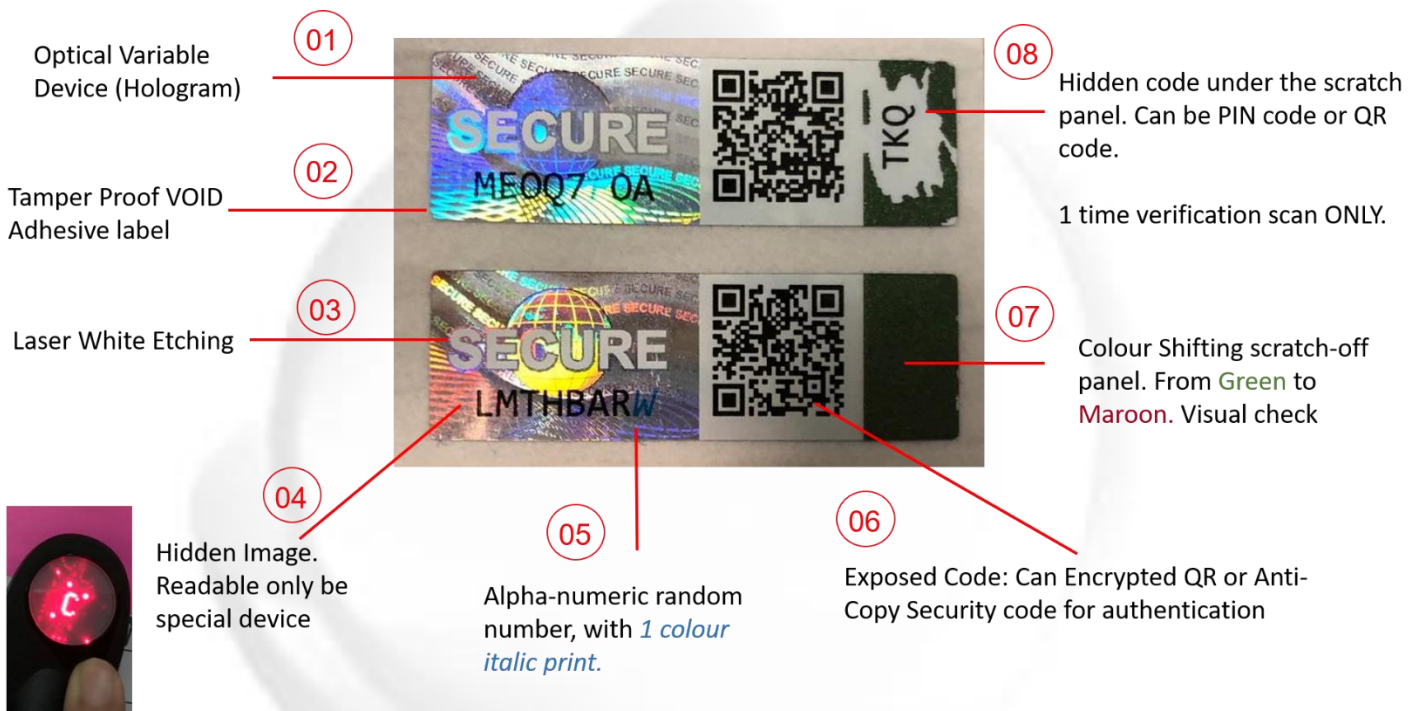
SOLUTIONS:

Nabcore has worked to design and implement suitable brand protection solution onto individual products which provides both high security and attractiveness.

We design and supply the solutions by combining distinct **physical and digital overt security and hidden verification technologies** known only to the brand owner. This creates a unique interlocking solution.

Product Authentication

- Combining **Physical and Digital** verification technologies.



We design, produce and supply the security label for application onto electrical component and product packaging. The security label can easily authenticate on smart phones. In locations where internet connection is weak or not available, distributors and retailers can verify with physical security features. Brand owner and enforcement have hidden verifiable features known to them only.

The interlocking unique features are created by:

- 1. High Security Printing**
- 2. Security Materials**
- 3. Digital Security Technology**

Please find below the summary of the unique features

<p>High Security Printing</p> <ol style="list-style-type: none"> 1. Holographic features 2. Laser White Etch 3. Hidden Laser Image 4. Precise alphanumeric random number print and matching (New) 	<p>Security Materials</p> <ol style="list-style-type: none"> 1. Tamper VOID Adhesive 2. Optical Variable Ink Scratch off panel 	<p>Digital Security Technology</p> <ol style="list-style-type: none"> 1. Unique encrypted QR codes or Anti-copy codes (New) 2. Matching PIN code for 1 time authentication (New)
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1. High security printing features:



Hologram

Hologram has been an anti-counterfeiting features used for almost all countries currency.

Relative difficult to produce compared to printing.

It has the effect of high anti-counterfeit, ease of identification and special texture that play the role of finishing touch for security application



Laser White Etch

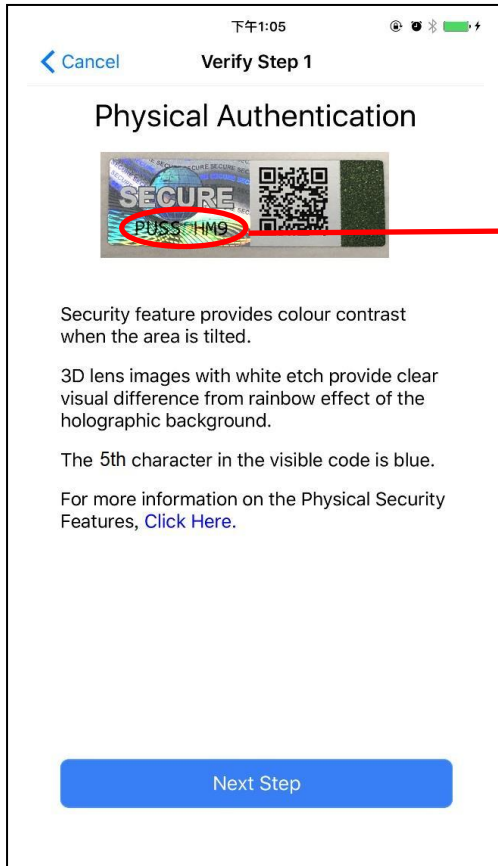
Unique technology with deep contrast from shiny hologram. The security effect is created to allow for quick visual recognition of the white colour feature.



Hidden Laser Image

Special information (eg Logo, Letter) can be embedded into the security hologram. A special device is needed to read the hidden image.

Usually only appointed staff or enforcer can have the device



High precision alpha-numeric with random colour italic print

Alpha-numeric random code, *with 1 colour italic character* random generated & printed.

Allow for visual matching of security label with the image shown when the exposed QR code is scanned on the mobile app.

Distributors and customers can scan the exposed QR code to do the initial check and comparison. If the colour italic character printed on the label matches the image displayed on mobile phone, it is a valid security label.

2. Security Materials



Tamper Proof VOID Adhesive

Tamper evident VOID pattern appears when user tried to peel and reuse the security label.



Optical Variable Ink (OVI) - Colour shifting scratch off panel

It is an anti-counterfeiting measure used on many major banknotes as well as official document such as driving licenses.

The ink displays two distinct colours (**Green** to **Maroon**) depending on the viewing angle.

OVI is particularly useful as an anti-counterfeit measure as it is not widely available and it is used on security printing.

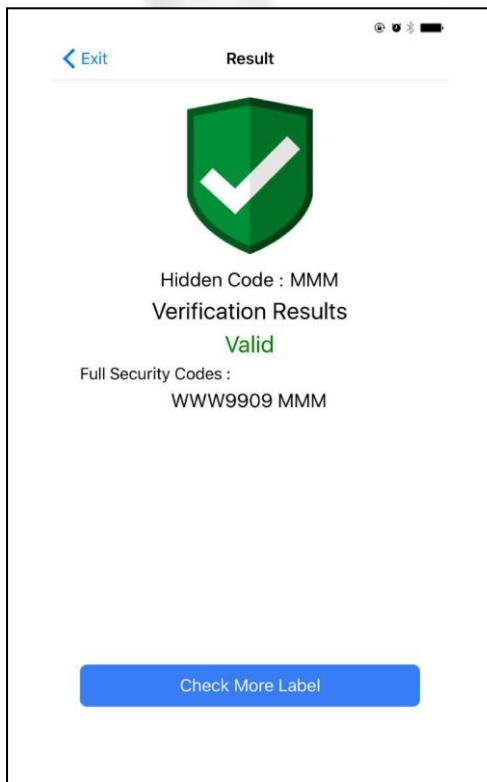
3. Digital Security Technology



Exposed Code – Unique, encrypted QR code

Each QR or AR Code is given a unique identification number (UAID), securely issued and stored in secured cloud environment.

Only a specific mobile app can read the encrypted QR code. Counterfeit codes can be identified and blacklist.



Hidden Code – 1 time authentication PIN code

The Hidden code (Eg PIN number) is hidden under the colour shifting scratch off panel. It is for **1 time authentication** by end customers after purchased.

The hidden code is linked with the exposed code highlighted above

Once the hidden code is being entered and verified successfully, BOTH the hidden and exposed code cannot be used again. This will help to prevent reused of genuine packaging by counterfeiters.

Authentication results, time and location will capture and display at the backend. Brand owner is able to access.

OUTCOME:

Brand Protection Program running for more than 5 years.

Deployment in China and Asia. (Label Volume – About 8 million per year).

- Application Area – Brand Owner apply the Security labels directly on product and packaging.
- Training and Marketing are carried out to inform and interact with distributors/consumers how to identify the security features.
- Designated Mobile App: Distributors and Consumers can download the app in Apple Store, Google Play.

What had been achieved:

- Increase Sales volume to around 20%.
- Enable consumers to authenticate products physically and through mobile verification
- Prevent counterfeiting of products.
- Prevent Brand Erosion and Loss of Revenue.

WHY NABCORE:

- Nabcore specialize in designing, providing and implementing interlocking physical and digital solutions for Brand Protection, Supply Chain Visibility, Consumer Engagement across Asia.
- As a solution provider, we have deep understanding on the issues of counterfeiting and grey marketing in the region. These issues are multi-faceted. Hence, an interlocking solution is needed to prevent loss of rightful revenue, brand erosion and product liability.
- We value our customer and go all out to ensure our customers are satisfied. We constantly upgrading the solution implemented to ensure Smarter solutions, Empower big data analysis, Strengthen consumer engagement and Increase sales for brand owner.

Further details about Nabcore solutions are available at www.nabcore.com. To reach us, please email us at contact@nabcore.com.