

BRAND PROTECTION

Tuning in



1. Do you buy brands? Why (not)?
2. Do you trust brand names? Why (not)?
3. Have you ever bought any fake brand product?
4. In what way can a brand be damaged?
5. Do you think brands are a rip-off or do they deliver the value of cost?

Word study

1. How many expressions from the list do you know? Check unknown words in the dictionary. Make a glossary.



1. Brand franchise
2. Copyright abuse
3. Copyright owner
4. Counterfeiting
5. Counterfeited
6. Commercial counterfeiting
7. Fake
8. Piracy
9. Wildcat
10. Rip-off
11. Forge
12. Generic

2. Complete the table with the given words

trademark piracy counterfeiting patent

1) copying or imitating an industrial, artistic or literary work to the detriment of its author or inventor	
2) protects the identity of the manufacturer or trader	
3) infringement of intellectual property rights	
4) protects an innovation	

Reading

Pre-reading task

1. Does it matter whether you buy the real thing or a fake? Why or why not?
2. Have you ever downloaded music or movies illegally?
3. Did you know it was illegal?
4. What protections should there be for original ideas?

Brand Value The Guiding Light

Trust is the currency of branding. Brand protection is the promise to pay the bearer on demand.



The Currency

Branding is the process of creating, developing, enhancing, and exploiting brand assets for commercial gain. Brand assets include trademarks, copyrights, patents, and designs. However, the term 'brand assets' should not be considered synonymous with intellectual property rights (IPRs). Whilst IPRs are central, branding is so much more than just registering IPRs, it embraces reputation, values, personality, domain names, social media accounts, ecommerce stores, goodwill, know-how etc. Appreciating the interplay between the various assets is vital in building a sustainable brand.

Branding must also be woven with an appreciation of the online world, digital norms, and hyper-connectivity of cyberspace. Bear in mind the convergence of intellectual property rights in the digital age, maybe not in terms of legal definition, but in the more important realm of real-world relevance. A well-managed social media handle can deliver greater value than a trademark. Brand building is no longer restricted to registering trademarks and marketing. Music artists and film studios are as concerned with brand management as a luxury handbag manufacturer. Digital content creators need to develop an online brand and brand owners are using content marketing to build connections with consumers. The methods employed will differ, but considerations of intellectual property rights, online distribution channels, emerging consumer touchpoints, and digital culture are pervasive.

Key to the term 'brand assets' is the understanding that brands are an asset, a resource, to be purposely cultivated in order to meet stated goals. The sum of the assets act as a 'mental patent', signalling delight in the mind's eye of the consumer. The swell of emotions and associations build a comfortable familiarity. Consumers do not just buy products, they buy into an expectation. Purchasing intent is driven by these expectations, branding underwrites the expectation. However, branding which does not authentically reflect the company will fail. This does not mean the company or product line associated with the brand fails, but the brand will deliver no added value to the company or consumers. The assets are no longer assets, but flip to the liabilities side of the balance sheet. Draining resources, draining confidence, and failing to meet expectations. Only by delivering surplus to consumers, and in turn the company, does the activity of branding become an efficient, value-adding signal.

The Promise

Unfortunately, a consequence of a successful brand is infringement. Success breeds imitation and attracts scammers. Infringement suffocates brand assets. If branding acts as a mental patent, then any infringement which impacts the underlying inventiveness of the brand must be incorporated into the strategy. Brand protection eliminates infringements which create confusion, dilute distribution channels, and confuse consumer expectations.

When it comes to brand protection, consider the bigger picture encapsulating all brand assets, including: intellectual property rights, domain names, content, know-how, reputation management, fake news, content governance, social media management, data leaks, digital marketing, and brand personality and voice.

On this basis, a brand protection strategy must consider: counterfeiting; trademark abuse; malicious domain name registrations; cybersquatting; patent infringement; design infringements; digital piracy; software facilitating piracy; grey market; authorised distribution channels compliance; social media accounts claiming false association; infringing mobile apps; fake news about a company or key personnel within the company; outbound phishing scams; fraudulent digital advertising; traffic misdirection; data breaches; and leaks of proprietary or sensitive information. This is not an all-inclusive list, as each brand has priorities directed by their business, market, and competitive forces. Brand protection means different things to different rights holders. A bank is likely to be most concerned with outbound phishing scams; whereas a YouTuber will be more concerned with copyright infringement. A large media company such as Disney is likely to face all forms of abuse from digital piracy, to counterfeiting of merchandise to cyber-attacks, brand tarnishment, distribution issues, and everything in-between.

Developing A Brand Protection Strategy

Brand protection is the process of preventing, pursuing, protecting, and preparing against illicit activity which abusively and unfairly uses brand assets. Crafting a strategy necessarily involves connecting various internal stakeholders from legal, to logistics, marketing, security, brand management, and finance behind the common goal of developing a brand which delivers. Again, with the phishing example; a rightsholder may have access to a very large and expert cyber-security team which can handle all investigations into phishing attacks. But when the attack has an impact on brand assets or consumer expectations, the brand protection team must work alongside the cyber-security team. Remediating the security threat does not invariably mitigate damage to the brand.

Post- reading task.

1. Answer the following questions:
 1. What do we mean under “brand assets”?
 2. Has brand building changed nowadays?
 3. Do you think counterfeiting is a problem? Why? Why not?
 4. Are successful brands always subjects to piracy and counterfeiting?
 5. What is brand protection?

2. Decide if the statements are True or False.

1. Counterfeiters ignore patents, which protect intellectual property, copyright and trademarks.
2. Pirates produce copies of branded goods at the same price.
3. These infringements are openly practised daily, affecting only huge businesses.
4. Digitisation and the internet have made it easier than ever to mass reproduce and distribute quality counterfeit products.
5. Counterfeiting benefits consumers.

3. Develop the idea using the following phrases from the text.

1. The term 'brand assets' should not be considered synonymous with intellectual property rights.
2. Music artists and film studios are as concerned with brand management as a luxury handbag manufacturer.
3. Consumers do not just buy products, they buy into an expectation.
4. A consequence of any successful brand is infringement.
5. A brand protection strategy is.....
6. Brand protection means different things to different rights holders.

4. Match the words with their meanings:

patent

copyright

trademark

infringement

copycat

- a brand that has exclusive legal protection for both its brand name, design, symbol, word, phrase, logo, or combination of these
- a document granting exclusive right to publish and sell literary or musical or artistic work
- a government license that gives the holder exclusive rights to a process, design or new invention
- a violation, as of a law, regulation, or agreement; a breach
- one who imitates another's work without adding anything new to it.

5. Read the text and fill in the words into the gaps.

***copyrights * counterfeit * control * intellectual * fake * property rights**
*** illegal * counterfeiting**

The violation of _____ property rights and the illegal copying of all kinds of goods from cigarettes to medicines really took off in the 1990s and has become an issue of major concern to companies and governments around the world.

_____ is worrying multinationals as it now makes up between 5 and 7% of all global merchandise trade, giving rise to \$512 billion in lost trade annually. The

World Health Organization says that about 10% of the world's medicines are

In a Chinese warehouse, authorities came across a store of counterfeit Buick windshields ready for the export market. China also sells Honda _____ parts for half the price of the original.

And the list goes on and on. What can companies and governments do to _____ this violation? China is by far the greatest violator of _____ and two-thirds of the world's fake goods are turned out there. However, the Chinese government, under pressure from international groups, is now beginning to clamp down on _____ copying. As Chinese companies begin to experience violations of their _____ from within China they are starting to demand more regulations. In addition, multinational companies are putting pressure on the governments of violating countries to make them control the counterfeiters.

5. Read the text and speak about counterfeit problems that threaten business, consumers, government, and the global economy.

The Counterfeit Problem And How Retailers Can Fight Back in 2020

The rise of digital channels facilitating the sale and purchase of consumer goods has fueled a rapid increase in trade of counterfeit products around the world.

In fact, the trade of fake merchandise has slowly risen over the last few years and now accounts for 3.3% of global trade, according to a recent report by the Organization for Economic Cooperation and Development (OECD).

Some brands have gone to extreme lengths in an attempt to halt sales of counterfeit versions of their products. Nike, for example, recently pulled its products from Amazon in part to try to mitigate the damaging effects that counterfeit goods were having on its brand. While this will certainly help and is a step in the right direction, it barely scratches the surface of a long-term solution.

The Threatening Power Of Counterfeit Goods

What is the real threat of counterfeit goods?

First and foremost, it's the fact that a counterfeit product equals a low-quality product. While this might not seem like a serious threat (and for those who knowingly buy knock-offs for superficial reasons, it's not), the truth is that poor quality items can have real, dire consequences. Consider knock-off makeup and skincare products. The package and product might look identical to the authentic brand, but when applied, they can cause skin infections and rashes.

Another alarming example of these consequences is in the electronics industry. Counterfeit automotive parts, smartphone/tablets and even vapes can cause serious personal injury and even death.

Inevitably, these consequences have a severe negative impact on a brand's reputation and, in turn, consumer trust. Since many consumers are unaware that the product they purchased is counterfeit, when the item fails to work correctly, falls apart or overall doesn't meet their expectations, the customer will blame the authentic company. This results in the customer

losing trust in the brand and also likely means that they won't purchase from the retailer in the future.

There is also a business threat of counterfeit products, as it results in a loss of revenue for the brand that is being copied. Simply put, when counterfeiters sell a product that looks the same as the original but at a lower price, the authentic brand will lose sales. Not so long ago, consumers were able to identify fakes fairly easily. Now, with the explosion of e-commerce and social media, the lines between real and fake are much more blurred.

Unfortunately, many online retailers don't have the knowledge or tools to filter counterfeit products. Even so, it's more important than ever for businesses to protect themselves (and their customers) to ensure the perception of their brand is not undermined by counterfeit goods.

How Retailers Can Gain Their Control Back

Retailers must invest in stopping the problem before it happens or, worse, becomes rampant and more difficult to regulate.

Here are a couple of important ways that retailers can claim back control in the fight against counterfeits:

- Educate Customers: A brand's customers are a key ally in the fight against counterfeits.
- Track Where Products Appear: Brands should implement monitoring software and AI solutions that help detect where counterfeit versions of their products are living online.
- Leverage Blockchain Solutions: While widely known as the underlying technology for Bitcoin, blockchain actually provides massive value in the context of spotting fraudulent products. By creating a more transparent supply chain, blockchain can ensure that both companies and customers get the quality that they're paying for. Major brands have already started partnering with technology firms for improved protection. For example, Louis Vuitton is working closely with Microsoft and ConsenSys to create the Aura Ledger, which will closely trace the origins of their luxury products -- from raw materials to point of sale and beyond.

Coming Together To Curb Counterfeiting: A Key Priority In 2020

The risks of counterfeiting are real. Brands in all sectors -- from fashion to health/beauty and electronics -- are grappling with how to ensure their brand reputation is not diminished through scammers selling fake versions of their products.

There is some good news: Retailers and governments are recognizing the danger of counterfeiting and are pledging action to combat it. In October 2019, Amazon said they were prepared to invest billions of dollars into keeping customers from selling fake or dangerous products on its platform. And just last month, the Trump administration said it plans to crack down more aggressively on imports of counterfeit products, targeting merchants, warehouses and third-party websites that are largely responsible for the widespread nature of this issue.

The overwhelming popularity and increased dominance of e-commerce isn't going away anytime soon. It will be the combined effort of forward-looking brands, retailers and governments that will stop counterfeiting in its tracks in 2020.

From Forbes