

Brands – under attack

What is a brand?

There are many definitions, one of which is:

A brand is a reputational asset which has been developed over time so as to embrace a set of values and attributes, resulting in a powerfully held set of beliefs by consumers and other stakeholders.



Who is the British Brands Group?

The British Brands Group is a membership trade organisation that speaks on behalf of brand manufacturers in the UK.

Founded in 1994, it seeks to deepen understanding of how brands benefit consumers, society and the economy through the provision of choice, value for money and innovation. It also represents its members collectively on policy and regulatory issues that affect the ability of brands to deliver value and to be a positive force in society.

It is part of a global network of similar brand associations, and is the UK representative of AIM, the European Brands Association based in Brussels.

More information is available at www.britishbrandsgroup.org.uk.

Brands under attack – counterfeiting

“There are no long-term winners from growing intellectual property theft.”

Peter Mandelson, when EU Trade Commissioner

- Counterfeiting has moved beyond luxury designer goods to attack every kind of product – toys, cigarettes, food and drink, electrical, computer and mobile phone products, medicines, personal care and household goods.
- It is now recognised by UK and international law enforcement as a serious organised crime.
- The internet has been described as ‘a global and virtual car boot sale’ and is the fastest growing market for fake goods of all kinds.
- A recent OECD study estimated the value of fakes seized worldwide at borders by Customs at \$200billion in 2005, greater than the GDP of more than 150 countries.
- In the UK the current estimate of the loss to all industry sectors from IP crime is £11billion per annum.
- Some of the costs are lost jobs, worsening working conditions, health and safety risks, loss of consumer confidence and a climate hostile to R&D.
- The loss to the Exchequer of unpaid taxes from UK counterfeiting of clothing and footwear alone would fund 10,000 care home beds.



ACG
The Anti-Counterfeiting Group
Campaigning Against the Trade in Fakes



Brands under attack – parasitic copying

- Packaging competing products to mimic familiar brands misleads consumers and distorts their buying behaviour.
- 33% of shoppers admit to having bought a wrong product because of its similar packaging*.
- Similar packaging suggests to shoppers that the products are made by the same manufacturer*.
- Similar packaging to an established brand creates a higher propensity for consumers to buy the product, thus affecting their buying behaviour*.
- As well as misleading consumers, similar packaging hijacks brand reputation, destroys distinctiveness, damages sales and increases costs.
- Companies do not have effective tools to take action. There tends to be no infringement of intellectual property rights and passing off actions are very difficult to bring. Many parasitic copies go unchallenged in the UK.
- Shoppers want clear packaging. 64% expressed concern were packaging to suggest a connection that did not exist with a familiar brand*.

* Source: BMRB, 2009

The voice for brands