

# AUTHENTICITY SOLUTION

## USING HOLOGRAMS TO PROTECT YOUR BRAND

PRESENTATION

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**CONSUL+**  
AUTHENTICITY

## CONSUL+ COMPANY INTRO

## About Consul+

- Over 10 years of experience providing consulting services and solutions for brand protection with a complete solution that combines a global royalty management software and holograms
- We have accumulated a strong expertise in the brand royalty market and licensing management working with many 'Licensors' and 'Licensees' already present in our database, understanding each their individual business requirements, challenges and market conditions
- Our customer base include organizations in the sports industry, fashion industry, government, media (TV and newspaper), retail, among others

## Our Experience

- Consul+ currently works with the main Italian football clubs, fashion brands, and companies in other industries particularly oppressed by counterfeits. We focus on:
  - 1. BRAND PROTECTION**
  - 2. BRAND IMAGE**
  - 3. BRAND LICENSE MANAGEMENT**
  - 4. PRODUCT TRACEABILITY**



## Our Solution

- Consul+ turnkey solution 'Il Project' including holograms and software allows companies that license their brands for merchandising purposes to manage and monitor reports of licensees, saving costly and unpleasant audit processes while increasing revenue from royalties in at least 30%.
  - ✓ The software manages the issue of holograms to be used on approved items and therefore facilitates the control of royalties
  - ✓ Forecasts royalty income
  - ✓ Provides analytic tools to identify potential gaps on royalty expected revenue reports

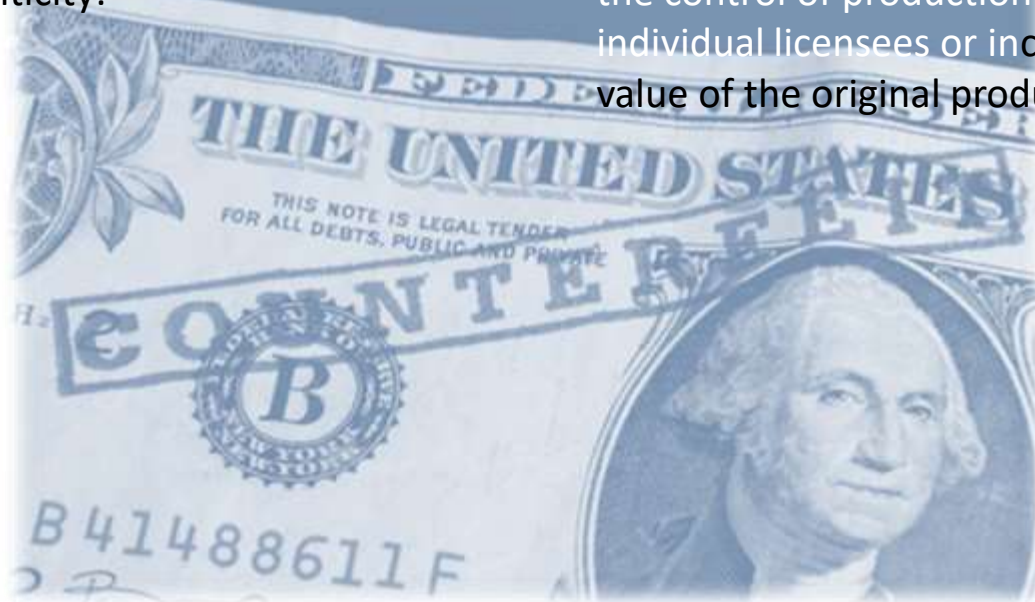
## Our Commitment to Fight Counterfeiting

On 16 August 2000 a law was enacted that provides increased penalties for counterfeiters to original products. This was the first major step that gave way to a series of legislative measures aimed at halting and combat this disturbing phenomenon.

In the light of a growing awareness of the authorities and consumer attitudes to quality and authenticity of products on the market, CONSUL + AUTHENTICITY studies the ways in which to protect the original products and certify its authenticity.

Our experience has been formed in recent years following the project of authenticity of the merchandising of the leading Italian football and the management company of the ticket for stadiums and concerts, markets particularly oppressed by counterfeits.

CONSUL + AUTHENTICITY subsequently developed conservation projects increasingly aimed at specific objectives such as the identification of parallel imports, the control of production and distribution of individual licensees or increase the added value of the original product.



## Our Mission

### Brand Protection



- Authenticate branded products
- Differentiate between the original product and the counterfeit product
- Security Solutions to avoid counterfeiting (Hologram)
- Applications for packaging and products that certify and guarantee the integrity of the original products

### Brand Image



- Reinforce the added value of brands
- Strengthen the "brand image" through a security tool with appealing design

### Brand Control



- Royalty Management System



WHY PROTECTING YOUR BRAND WITH HOLOGRAMS?

## Objectives of Using Holograms on your Articles

*The first objective common to all companies is to make instantly recognizable the original product marking it with an element that is not reproducible by counterfeiters. In the present, The most advanced system capable to achieve this goal is the application of a "HOLOGRAM" on each product.*

*A hologram is very hard to counterfeit due to the high level of machinery technology required for its production, installation costs and the difficulties of sourcing. The proof is already all major credit cards are using it, the ownership certificates of the car and also the Euro bills are equipped with a holographic strip.*



### WITH THE HOLOGRAM YOU CAN:

- Create an indisputable mark of recognition in the article for consumers
- Create a mark of authenticity that disqualifies and exposes the non-genuine products
- Control production to sub-contractors, especially foreign, from surplus production (authentic), then surreptitiously placed on the market
- Locate and stop parallel imports recognizing the origin
- Monitor the activities of your licensees
- Reaffirm your presence in the market with a cutting-edge image, anticipating the trends that will see the leading companies reassure their consumers with more advanced guarantees

### Authentication Tool

- As of today, the hologram is the most cost/effective tool to fight counterfeit, avoiding the misrepresentation of your brand in the market
- A common example of the hologram security is its use on currency bills and credit cards all over the world. Governments and banks use it.



### Differentiator for Licensees

- The holograms on articles represents an added value for licensees as it allows quickly to validate the authenticity of the product at hand, with a minimum investment and support



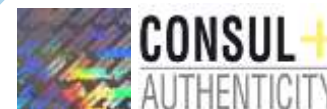
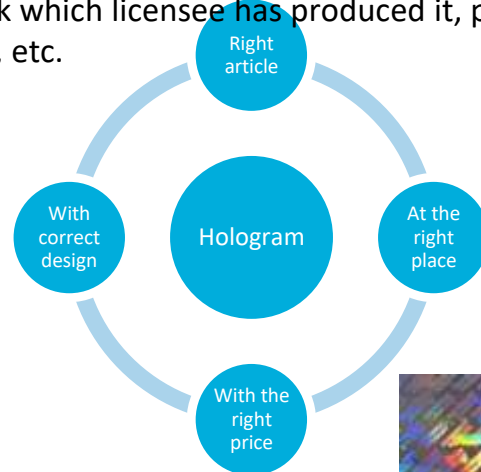
### Reduce costs and increase income

- Together with our management solution, the hologram helps optimize compliance procedures, reduce Audits costs and increase the Royalty income



### Instant Article Traceability

- Thanks to its identification number, in combination with our management solution, the hologram allows you to perform instant compliance verifications of articles at the point of sales site to check which licensee has produced it, production date, etc.





## Counterfeit in Merchandising Ticketing

*Merchandising and ticketing related to sporting events, musical and theatrical need tools to avoid counterfeiting and falsification that can cause severe losses in terms of royalties, revenues and profits, endanger the supply chain, weakening the brand image and can create safety hazards to the public.*



*Some of the Customers that rely on Consul+ for Merchandising Ticketing*



## Counterfeit in the Fashion Industry

*Counterfeiting has found the most fertile ground in the apparel industry to proliferate.*

*The apparel, accessories, footwear, fragrances and cosmetics are reproduced to perfection and regularly sold on the market.*

*The legitimate producers of these goods are affected with significant losses in terms of revenues, royalties, market, and especially the brand image.*



### WHAT WE CAN OFFER

- Solutions to fight counterfeiting
- Bring the supply chain process back under control of the company

**KRIZIA**

## Counterfeit in the Entertainment Industry

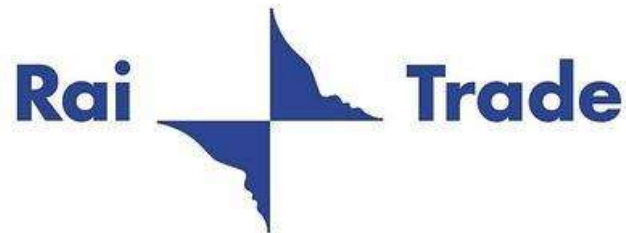
*Counterfeiting and piracy are the most notorious problem for the music, film and technology industry.*

*CDs, DVDs and Software are systematically reproduced/duplicated violating copyright and causing significant damage in the value of its intellectual property, resulting in lost sales.*



### SOME ANTI-COUNTERFEITING PROJECTS HANDLED BY CONSUL+

- RAI Trade
- La Presse Video



## Counterfeit for Wine, Spirits and Tobacco

*If counterfeited, alcohol and tobacco can cause serious health risks since false items are not subject to the strict inspections and certifications that require legal sales.*

*This phenomenon has serious implications for the safety of consumers and the credibility of the products, also going to undermine the image of the brand and therefore reduce sales revenues.*



### THANKS TO CONSUL+ SOLUTIONS IS POSSIBLE TO:

- Take action on counterfeiting and product replacement
- Identify and intervene in the market of parallel imports

## Counterfeit on Consumer Goods

*Counterfeiting and piracy are not a phenomena only related to the world of fashion products and luxury goods.*

*The products of mass consumption, such as food from certified and protected origins in the same way represent an attractive target for the black market and are characterized by the damage of quality, market, sales and image.*



# DOC

Denominazione di Origine Controllata

## Management and Control

*Each product that is not immediately recognizable as a hologram is not authentic.*

*To allow a first check of the product on the market, each hologram can be given an identification code of the place and the production batch of the article to which it is applied.*

*The Consul + delivery holograms to the authorized consignee application, recording all the details of the allocation.*

*Each product marked with the hologram which is not of adequate quality, is immediately reduced to the production lot of origin, allowing to intervene in a safe and effective.*

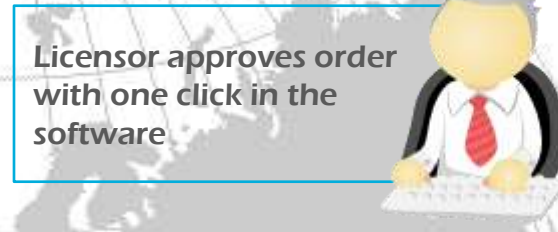
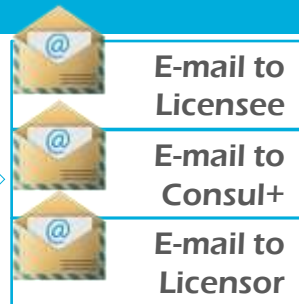
*Each product is marked with the hologram found in unauthorized outlets, was immediately brought back to the distributor and the authorized channel, allowing you to intervene with the appropriate measures.*

*In the case of production of license, a simple data monitoring allocation of holograms, allows you to check the accuracy of relationships royalties received.*

# HOLOGRAMS PROVISIONING PROCESS



[www.ILPROJECT.net](http://www.ILPROJECT.net)



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Order number	Order date	Licensees	Brands/Hologram	Order status	Holograms Quantity	Sales Forecast	Royalty expectations	Details	Shipped	Click on "approve" to confirm
1878 / 2012	26/10/2012 10:16	Licenziatario DEMO2	Brand DEMO 2	Waiting for payment	5.250	115.500	11.550	<a href="#">DETAILS</a>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> 26/10/2012 10:17
1814 / 2012	12/10/2012 20:32	Licensee DEMO1	Brand DEMO	Waiting for authorisation by the Licensor	5.000	50.000	5.000	<a href="#">DETAILS</a>	<input type="checkbox"/>	<input type="checkbox"/> Approve
1813 / 2012	12/10/2012 20:31	Licensee DEMO1	Brand DEMO	In production	2.000	40.000	4.000	<a href="#">DETAILS</a>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> 12/10/2012 20:34
<b>Product code</b>	<b>Description</b>		<b>Holograms Quantity</b>	<b>Reference sales list (ARTICLE PRICE)</b>	<b>Sales Forecast</b>	<b>Royalty expectations</b>	<b>Hologram Initial number</b>	<b>Hologram Final number</b>	<b>Marked Availability Date</b>	
SPOBG01	Sports Bag / Brand DEMO		2.000	20.00	40.000,00	4.000,00	00040001	00042000	01/11/2012	
1812 / 2012	12/10/2012 20:30	Licensee DEMO1	Brand DEMO	In production	30.000	60.000	6.000	<a href="#">DETAILS</a>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> 12/10/2012 20:34
1811 / 2012	12/10/2012 18:41	Licensee DEMO1	Brand DEMO	Waiting for payment	10.000	300.000	30.000	<a href="#">DETAILS</a>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> 12/10/2012 18:46
					<b>Holograms Quantity</b>	<b>Sales Forecast</b>	<b>Royalty expectations</b>			
					52.250	565.500	56.550			

# PRODUCT TRACEABILITY



Insert hologram number  
in the software from any  
device connected to the web

[www.ILPROJECT.net](http://www.ILPROJECT.net)

## Product traceability

FIORUCCI

Letters (only if present on hologram)  A  a Please note: Capital or small letters are irrelevant.

Number  Please note: Zeros before the numbers are irrelevant

Search



Entered code matches article 11C0 - ACCENDINO ZIPPO / FIORUCCI.

Order number: 1675 - 06/09/2012.

Licensees: ZIPPO ITALIA Srl

[New search](#) | [Logout](#)

*The software is accessible on line from any part of the world and with support for both PC and Mac, or on Android tablet and on all the different models of i-Pad and i-Phone. This functionality allows you to verify (using the sequential number), if the hologram corresponds to the article at hand, when the hologram has been purchased and by who.*



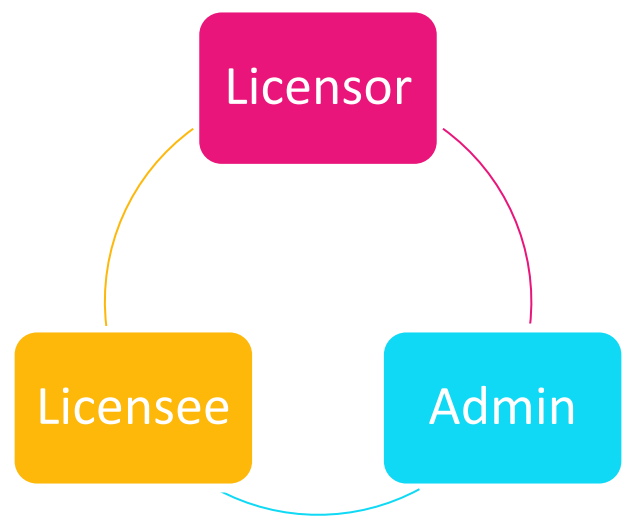


## Benefits of Holograms Supply Process

- The whole delivery process of holograms is handled by Consul + and once the orders are approved by the Licensor, we proceed to:
  - Issue the holograms ordered
  - Invoice the holograms to Licensee
  - Collect from Licensee
  - Ship holograms to Licensee to any country in the world with an delivery estimated time of 3/5 days
- Automating the process of creating and tracking orders holograms allows quick operation and reduces the chances of error

## 'INTERNATIONAL LICENSING PROJECT' SOLUTION

## Software Profiles

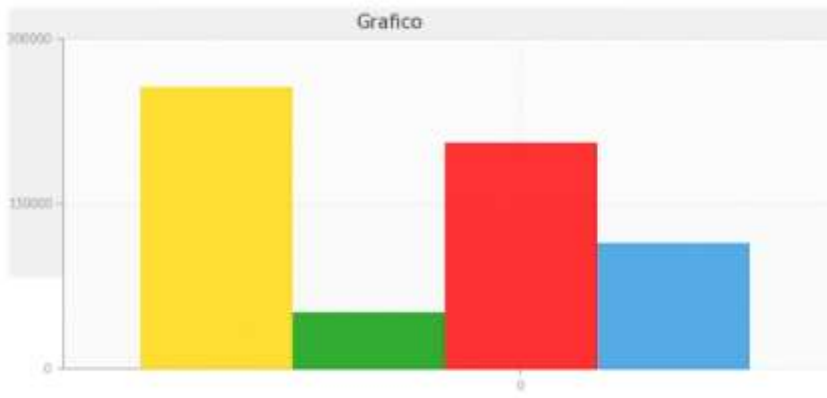


## How it works...

**Licensor**

Licensee I		Licensee II		Licensee III	
Product 1	Product 2	Product 3	Product 4	Product 5	Product 6
Holograms AA010101	Holograms AB010101	Holograms CD023596	Holograms ZX854239	Holograms XX222222	Holograms MN282828

## Royalty Calculations



Calculations based on:  
 (1) Number of holograms issued per licensee (based on licensee orders)  
 (2) ERP of approved branded item provided by licensee

## Article Traceability

- › Allows you to verify/match article and hologram in the system vs. the one on the store by simply entering the hologram serial number in the web based software
- › This is a powerful tool that supports you on the field during eventual compliance verification visits in the point of sales.
- › Available on mobile devices such as smartphones, tablets and/or mobile computers WITH an Internet connection.

## Key Features

- The software “ILPROJECT”, was studied and created to simplify the licensing management process by combining the data of the anti-counterfeiting tool (hologram) with the royalty reports of the licensees.
- Features separate areas for Licensors, Licensees and Admin (for support purposes).
- As a Licensor you can manage your **Brands, Licensees, Contracts/Expirations, Articles, Hologram Orders, Royalties, Trace Articles, Sales Reports from Licensees and Business Intelligence**
- Licensees have a limited view in their module focused on holograms orders, articles creation and submission and sales reports.



## Software Platform

- › The software has been created with a very light graphic user interface and with a white background predominantly, so it has an excellent performance and speed even navigating with a 3G SIM Card mobile phone connection.
- › The software guarantees maximum safety and recovery of massive data.
- › The program is available in English, French, German, Italian, Spanish and Japanese. It can be translated into other languages if required.
- › The software has a reserved area for each user profile (both brand owners and licensees; which is accessible through user name and password login process.
- › Easily export your data from the software to Excel or OpenOffice

## Key Features

- › Holograms online purchases and inventory control to avoid stock out
- › Access to statistics and graphics related to the "sales and royalties expectations" compared with the royalty reports from licensees
- › Management process for article creation and approval
- › Article traceability through the hologram identification number
- › All software features are available to the brand owner who decides the extent of control measurements to take on
- › Insights information at hand in order to:
  - Identify licensees who do not order for a while
  - Identify unusual purchasing behaviour
  - Actual Royalty income vs. forecast
  - Sales on unauthorized territories

# What are you able to manage with 'ILProject' software?

## Brands and Licensees

- Management
- Business Profiles
- Authorizations
- Agreements Expirations
- Minimum Guarantee

## Contracts

- Management
- Royalty Fees
- Minimum Guarantee
- Sales Channels  
(by territory, channel type,  
etc.)

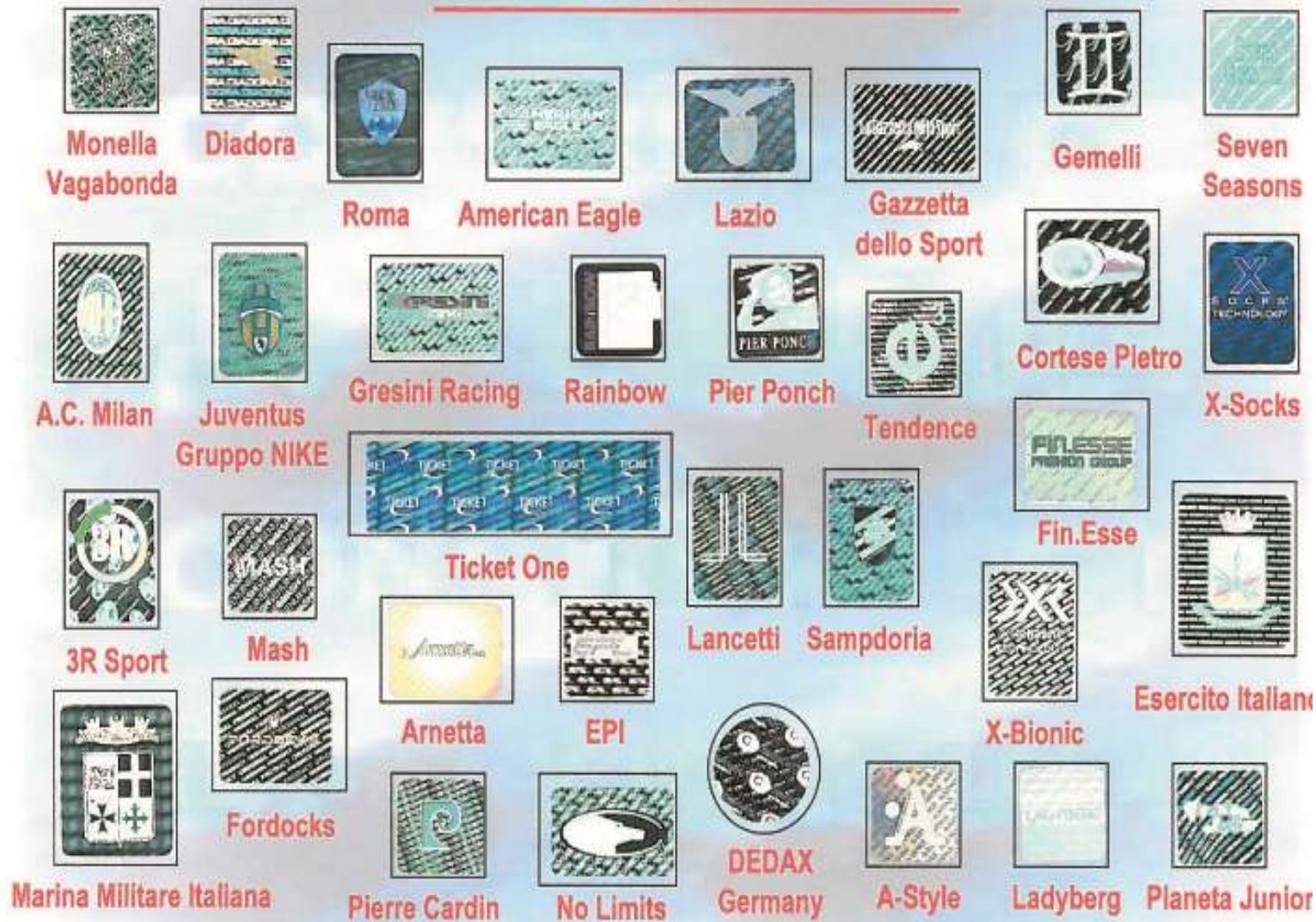
## Articles & Holograms

- Managing Articles (prices,  
launch dates, etc.)
- Traceability
- Holograms Orders  
Management from any place
- Approvals
- Stock
- Catalogues Creation
- Estimate Retail Prices

## Royalties Reporting

- Calculations
- Forecast vs. Actual
- Details by Licensee and Articles
- Statistics and Graphics
- History

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