

## ***Diffusion brands as a tool to combat counterfeiting***

*The knowledge I gained from the INTA Brands and Fashion conference in March 2017*

### Diffusion brands

"In fashion, the term "diffusion brand" means a secondary line by a well-known designer...They are intended to reach a younger, aspirational demographic with lower price points and edgier items – all while generating extra revenue."<sup>1</sup>

Seek joy in life not happiness. If you eat an entire three tier chocolate cake you will be happy, but it won't bring you joy. The extra weight, the fatigue, possibly other health problems take away from that moment you felt good about yourself and good about what you were doing. Same goes for purchasing counterfeit goods, sure you may be happy walking around in those imitation shoes and think look at me I'm great, I'm wearing ... but imagine those shoes contributing to crime. Suddenly not so comfortable right?

There is no way to stop counterfeiting in its entirety. It's so deeply imbedded in society and most of all accepted by consumers. Why is it accepted by consumers? Of course, it's not accepted by all consumers. There is a vast majority of people in the world that want more for less. They want to be part of the fashion world, part of the in crowd, part of the middle to high class even if economically they are considered part of the lower class. We live in a world where people define themselves by the shoes and clothes they wear and the handbag or purse on their arm. Now more than ever in our history materialism is at its peak.

The frightening fact is that purchasing counterfeit goods assist in the financing of illegal acts. I'm sure that most people don't realize that this is in fact what they are doing. Some may not even care about this fact and think to themselves 'my back yard is clean'. Through globalization it is however all our problem and can no longer be ignored to be a problem of 'those' countries, the non-western world. Suddenly their backyards are right next to us. Don't believe me, just turn on the news or scroll through your social media pages.

*So what does the title of this article have to do with this story?* It's quite clever of the high-end brands to sell less expensive versions of their brands. This enables the middle-class (and perhaps in some cases the socially economic lower class) consumers to be part of the hype without breaking the bank. Of course, it's not the only solution to combatting sales of counterfeit goods. In fact, there is no one and only solution to this growing epidemic.

There is a shared Responsibility of Governments and local authorities versus store owners down to consumers. We are all in this together. Each person, organization or business has their individual and collective responsibility. As one of our local artist once told me, one hand can't clap by itself.

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<sup>1</sup> [www.digiday.com/marketing/luxury-goes-digital-diffusion-brands-become-obsolete/amp/](http://www.digiday.com/marketing/luxury-goes-digital-diffusion-brands-become-obsolete/amp/)

For the consumer, I urge you to be more conscious of your purchases. You can help save lives by not contributing to the purchase of counterfeit goods. Just the thought of that is joyful. As a store owner, I challenge you to educate yourselves on this topic. For store owners this means they can make more informed decisions when purchasing goods. You can't afford to sell high end? Sell a diffusion and let people know that's what you're doing. As the old people saying goes: Know better do better.

A correction of the perception is needed as far as the responsibility of the intellectual property offices (IPO's) and in this case the Bureau for Intellectual Property Sint Maarten. We register Trademarks, we record your ideas, concepts and creations in an i-Envelope and we provide information on other intellectual property rights. We do not have the authority to enforce. What good is it to have an IPO if they don't enforce? This is a question we are often confronted with in our society. Just like many facets of our lives there are steps to success. Without a registration of your Trademark 'brand' you as a brand owner or representative of a brand owner don't have much of leg to stand on.

Another misperception is that it is solely the local authorities' responsibility to combat counterfeiting. If there is one thing I took away from the first two INTA conferences I attended is the following: It starts and ends with the 'brand' owners. Which means that somewhere in between that chain you will find the IPO's.

The question you must ask yourself as a brand owner is how invested are you in the protection of your brand? Let me rephrase: how invested are you in securing your profits? Of course, as put so nicely in economic terms at the conference a 'cost benefit analysis' is imperative. In short, the protection (register, monitor, enforce) of your 'brand' ties into your success and ultimately your profits.

To the readers of this article my hope is that you remember the following: Register, Monitor and Enforce. Your backyard is next to mine, so be more conscious of what you buy. We are all in this together: Consumer > Government > Brand owner. Last, but certainly not least find local legal representation. IP law is a specialist field. IP professionals can advise you how to register, monitor and enforce your intellectual property rights.

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