



**THE INDEPENDENT VOICE OF TRUST**

# **Exploring Online Fraud and the Sale of Counterfeit Goods**

**Counterfeits and Online Fraud, Scoping the Problem**



*Date: 22 September 2020*



**Hanane Taidi**  
Director General  
TIC Council





Michael Hanson  
Senior Executive Vice  
President, Public Affairs  
RILA

# REPRESENTING THE LEADING BRANDS IN RETAIL

## PREMIER MEMBERS

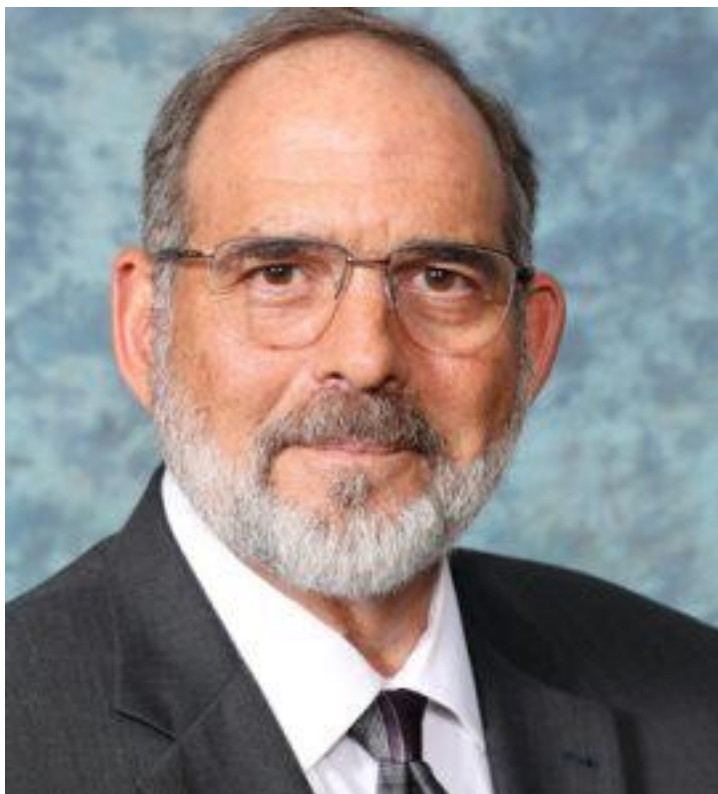






# Buy Safe America Coalition





Palmer Orlandi  
Director & Chief Science  
Officer  
AOAC

# *Combating Food Fraud*

*Palmer A. Orlandi, Ph.D.*

*Deputy Executive Director & Chief Science Officer*  
*AOAC INTERNATIONAL*

TIC Council Webinar Series on Fraud and Sale of Counterfeit Goods  
September 22, 2020

A close-up photograph of a wooden surface, possibly a barrel or a large wheel, showing concentric growth rings. A metal band with a serrated edge is wrapped around the top of the wood.

# Food Authenticity

- Assurance that raw ingredients purchased by the food manufacturer are accurately documented;
- Assurance that products purchased by consumers are safe and reflect the stated quality.

## Economically Motivated Adulteration

- A wide range of deliberate acts designed to misrepresent the authenticity and value of a food product without the purchaser's knowledge for the economic gain of the seller;
- Alteration of a commodity through:
  - Addition of nonauthentic substances, or,
  - Removal or replacement of authentic substances



# Take a Salad with Feta Cheese



## LETTUCE

Canada, Chile, Dominican Republic, Mexico, Peru, USA



## CUCUMBERS

Canada, Honduras, India, Mexico, Spain, USA



## FETA CHEESE

Canada, Denmark, Egypt, Germany, Greece, Israel, Italy, Turkey, UK, USA



## VINAIGRETTE

Argentina, Brazil, Canada, Chile, China, France, Germany, Greece, India, Indonesia, Italy, Mexico, Morocco, Peru, Portugal, Spain, Thailand, Tunisia, Turkey, USA, Vietnam



## OLIVES

Greece, Israel, Mexico, Spain, USA



## SPROUTS

Argentina, Australia, Bangladesh, Canada, China, Egypt, France, India, Morocco, Nepal, Pakistan, South Africa, Spain, Turkey, USA



## MANDARIN ORANGES

Israel, Mexico, Morocco, South Africa, Spain



## CROUTONS

Argentina, Australia, Brazil, Canada, China, France, India, Mexico, Netherlands, Poland, Russia, Switzerland, Uruguay, USA, Vietnam



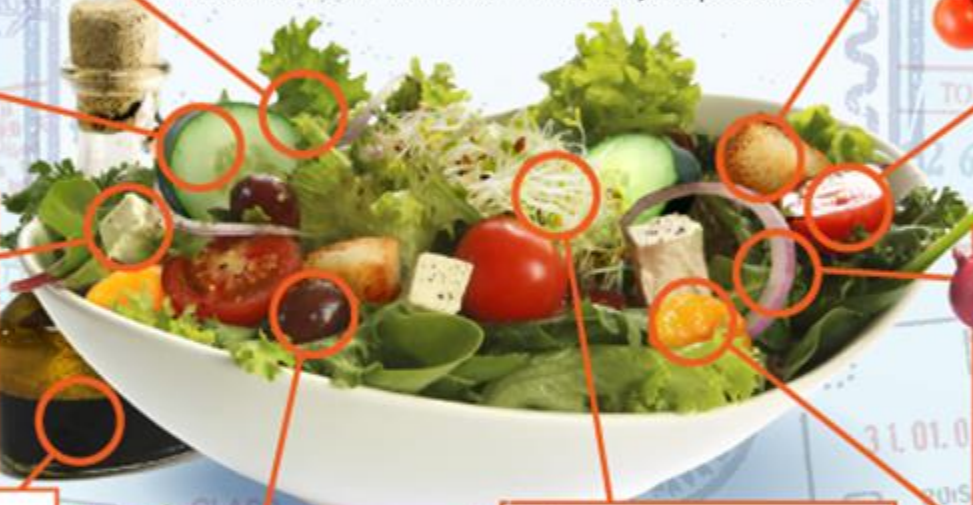
## TOMATOES

Canada, Dominican Republic, Holland, Israel, Italy, Mexico, USA



## ONIONS

Canada, China, Germany, India, USA



## The Well-Traveled Salad.

### Do You Know Where Your Food Has Been?

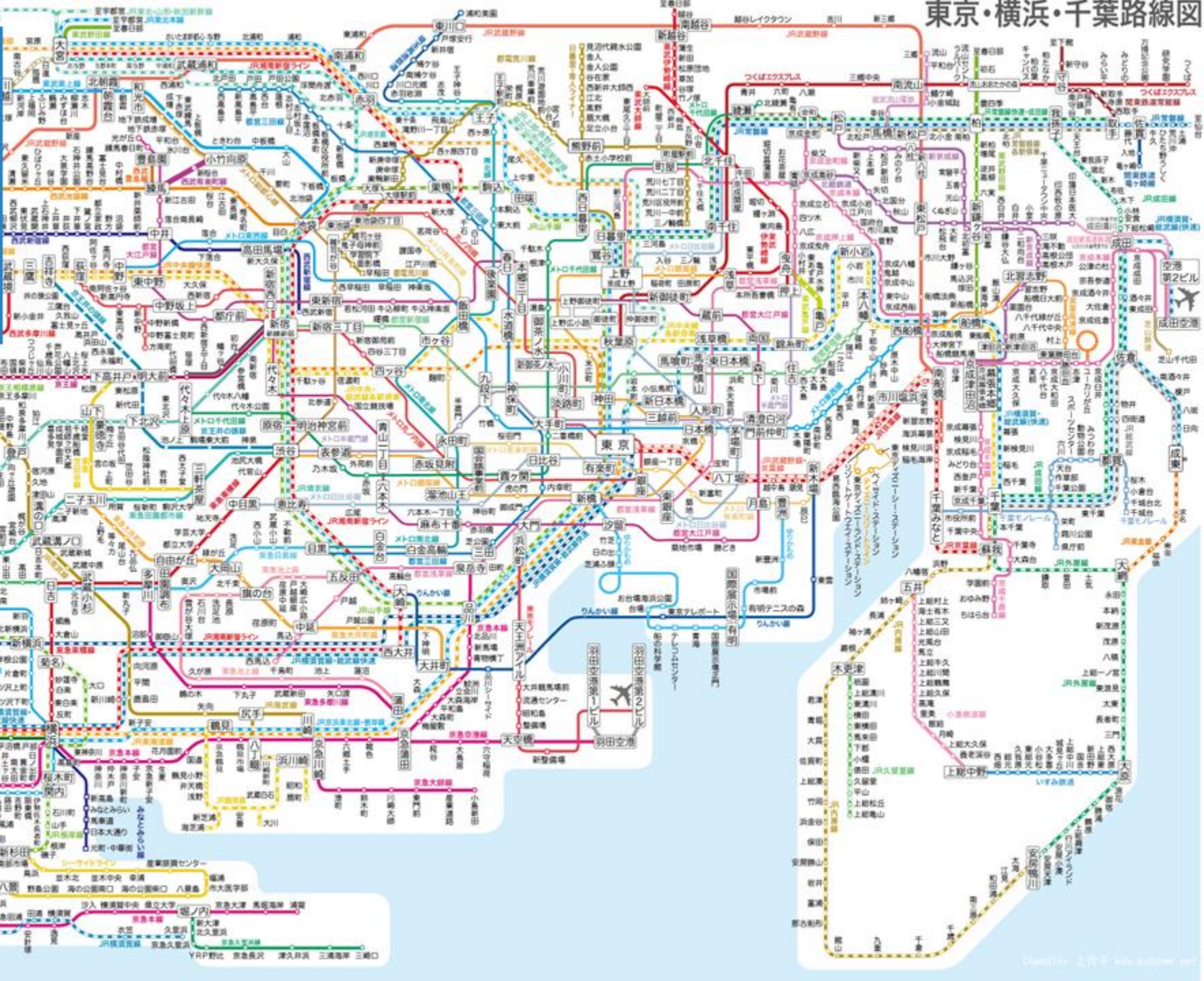
As consumers, many of us fail to recognize that even our domestic and local food supplies are part of a global network. The daily activity of consuming food directly links our health as humans to the health of crops and produce, food animals, and the environments in which they are produced.

A "One Health" approach to food safety—bringing together expertise and resources from the clinical, veterinary, wildlife health, and ecology communities—has the potential to reveal the sources, pathways, and factors driving the outbreaks of foodborne illness and possibly prevent them from occurring in the first place.

NOTE: Countries are listed in alphabetical order and not by volume of export.



# Complex Supply Chains...





# The Challenge:

*How do you know what to look for? How Deep Must you look?*



# Breadth of Food Adulteration

## Number of Adulterants

Decernis Food Fraud Database



Cow's  
Milk

163



Extra Virgin  
Olive Oil

52



Orange  
Juice

63



Chili  
Powder

72



Beef

78

Infographic: Carmen.Diaz.Amigo@Focos-Food.com

Data queried: 04-2020

Datasource: <https://decernis.com/solutions/food-fraud-database/>

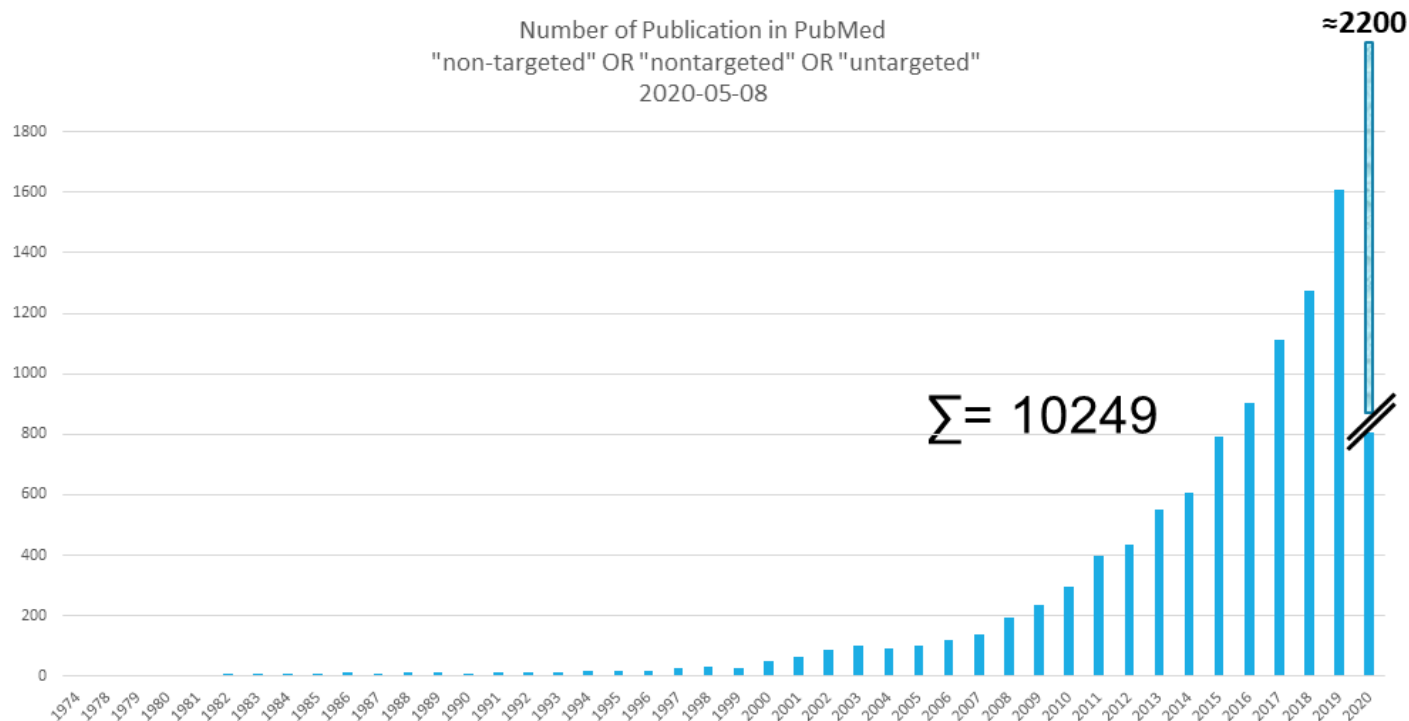
Bert Popping

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# A Snapshot of the Analytical Landscape

## PubMed



Bert Popping

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*†To learn more about AOAC's Food Authenticity Methods Program go to [www.aoac.org/scientific-solutions/food-authenticity-fraud/](http://www.aoac.org/scientific-solutions/food-authenticity-fraud/)*

# Analytical Challenges For Food Producers, Regulators and Analysts

- What method to choice,
- Breadth of applicability,
- Technology,
- Disparate performance requirements,
- Disparate regulatory requirements,
- Changing environment, rapidly expanding scope.



## The Importance of Standardization

*†To learn more about AOAC's Food Authenticity Methods Program go to [www.aoac.org/scientific-solutions/food-authenticity-fraud/](http://www.aoac.org/scientific-solutions/food-authenticity-fraud/)*

# Consensus Analytical Standard

- Documents the need for an analytical method,
- Provides a detailed description of how that method must perform,
- Includes method acceptance criteria,
- Agreement among stakeholders and subject matter experts.



## Consensus

con·sen·sus | \ kən-'sen(t)-səs \

**1a** : General agreement

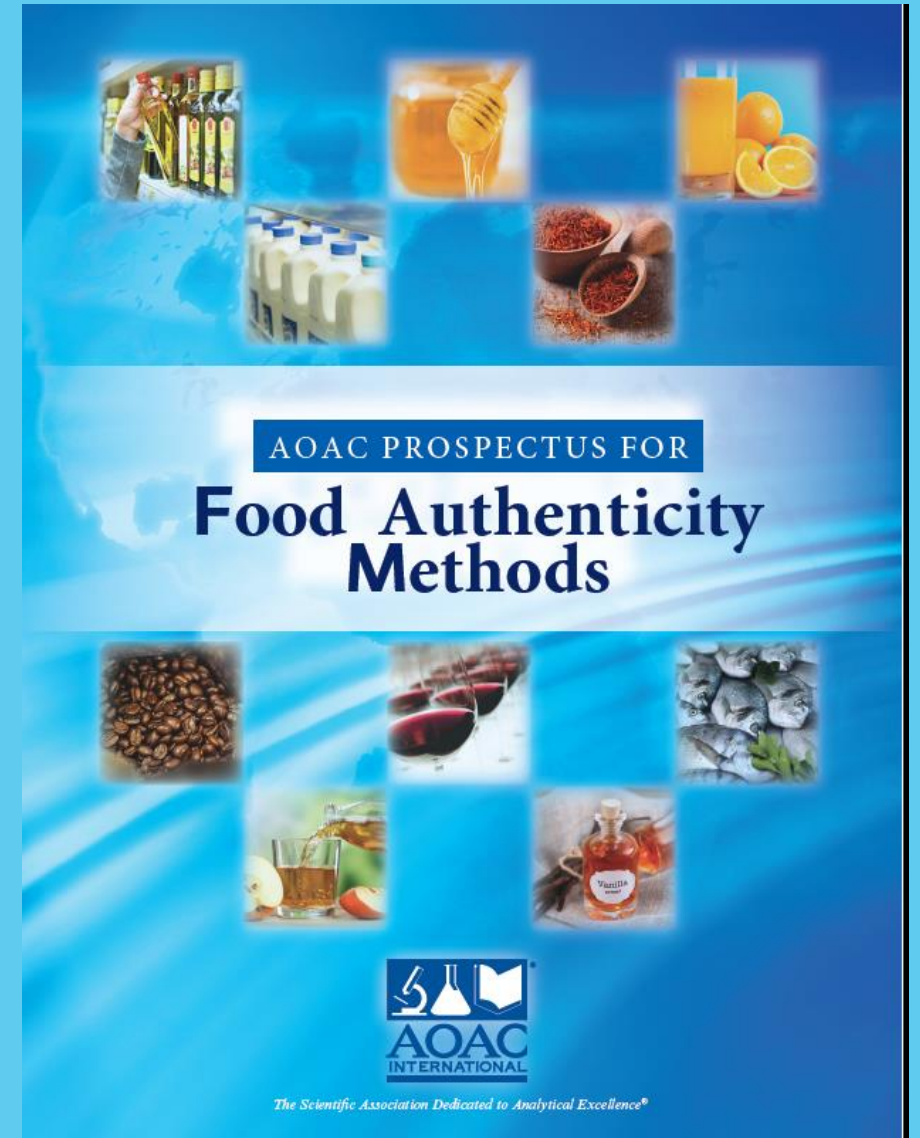
**b** : The judgment arrived at by most of those

**2** : Group solidarity in sentiment and belief

# Food Authenticity Methods Program

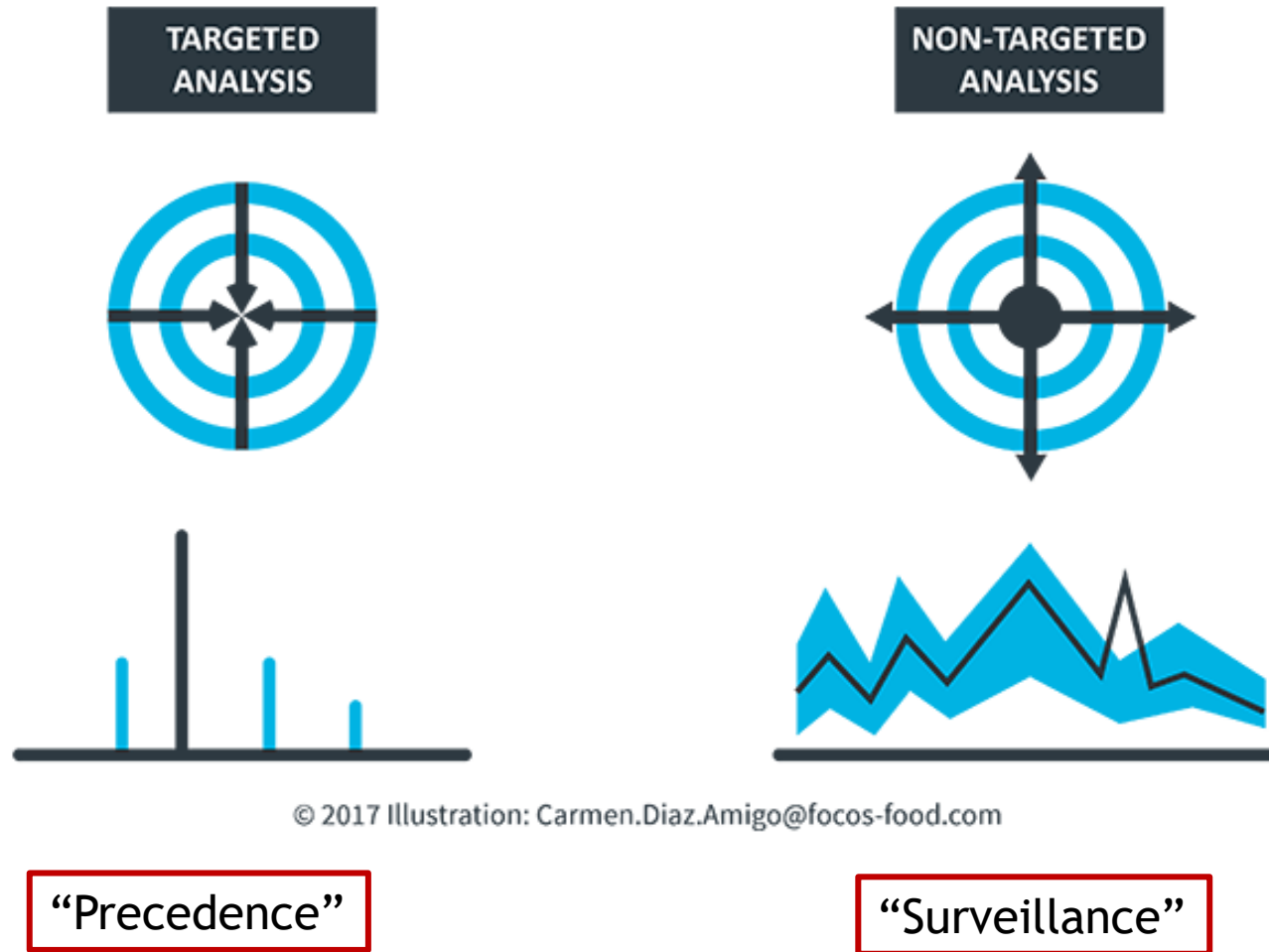
## OBJECTIVES

- To address the analytical needs for combatting intentional and economically motivated food adulteration;
- SMPR™ development for Targeted Testing (TT) and Non-targeted Testing (NTT);
- Develop rapid response guidance for method development in the event of an emergency.





# Distinct but Complementary Approaches for Food Authenticity



*†To learn more about AOAC’s Food Authenticity Methods Program go to [www.aoac.org/scientific-solutions/food-authenticity-fraud/](http://www.aoac.org/scientific-solutions/food-authenticity-fraud/)*

# Learn more about the AOAC INTERNATIONAL Food Authenticity Methods Program at...

- [www.aoac.org/scientific-solutions/food-authenticity-fraud/](http://www.aoac.org/scientific-solutions/food-authenticity-fraud/)
- Or contact us:

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תודה  
Dankie Gracias  
Спасибо شُكراً  
Merci Takk  
Köszönjük Terima kasih  
Grazie Dziękujemy Děkojame  
Ďakujeme Vielen Dank Paldies  
Kiitos Täname teid 谢谢  
**Thank You** Tak  
感謝您 Obrigado Teşekkür Ederiz  
Σας ευχαριστούμε 감사합니다  
Bedankt Děkujeme vám  
ありがとうございます  
Tack

<sup>†</sup>To learn more about AOAC's Food Authenticity Methods Program go to [www.aoac.org/scientific-solutions/food-authenticity-fraud/](http://www.aoac.org/scientific-solutions/food-authenticity-fraud/)



Rick Rosati  
Vice President, Government  
Affairs and Industry  
Standards  
Bureau Veritas Consumer  
Products Services (BVCPS)





# Impact of COVID-19 Pandemic



**WDVM (Hagerstown, MD):** [Dulles International CBP seizes an estimated \\$3 million of counterfeit goods](#)

Customs and Border Protection at Dulles International announced they seized an estimated \$3 million in counterfeit goods this week. The shipment originally entered the country on August 22, but CBP tells WDVM there is a lengthy process when it comes to handling counterfeit items. “This is a significant seizure of counterfeit consumer goods.....

**NPR/WNYC:** [Lego Fans Tricked By Counterfeit Kits](#)

Discontinued Lego sets can be worth a lot of money. Counterfeit Lego kits, made illegally in China, are scamming collectors.

**The Wall Street Journal:** [Brokers Peddle Fake Medical Gloves Amid Coronavirus Shortages](#)

Brokers are peddling counterfeit medical gloves as a shortage of this critical commodity has tripled prices during the pandemic and pinched front-line and other workers as schools and businesses reopen. In recent weeks, companies employing front-line workers have bought fake versions of “nitrile,” or synthetic rubber gloves, sold in boxes labeled “examination grade,” posing potential health risks, according to glove distributors and manufacturers.

**The New York Daily News:** [Customs seizes 500,000 faulty N95 masks in Chicago en route from China to New Jersey](#)

U.S. Customs and Border Protection officers seized 500,000 faulty N95 masks headed to New Jersey from Schenzhen, China, after they were found to be less than 95% effective. The seizure, worth an estimated \$3 million, was made in Chicago last week when Homeland Security asked the CBP’s Anti-Terrorism Contraband Enforcement Team in the Windy City to apprehend and inspect the shipment, CBP said in a statement.



# Anti-Counterfeiting Committee



Certification industry members committed to stopping the worldwide proliferation of products bearing counterfeit certification marks that may endanger public health and safety by:

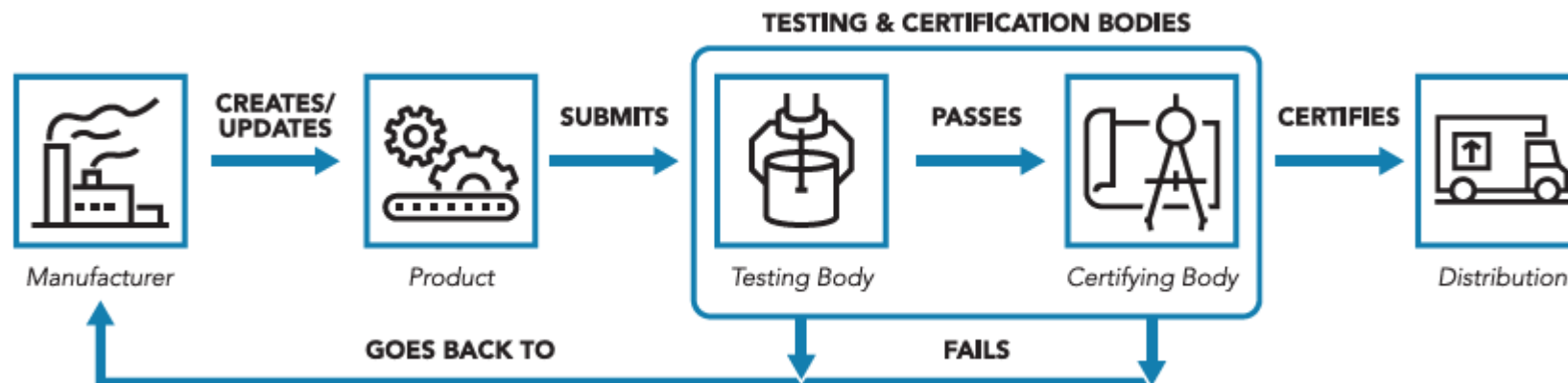
- Partnering and cooperation between key stakeholder – certification bodies, brand owners, law enforcement, trade associations;
- Educating key stakeholders, including law enforcement (customs authorities), legislators, manufacturers and consumer organisations; and,
- Aligning and adhering to consistent principles as TIC industry in fighting counterfeiting.



# Certification Bodies and Product Certification



- TIC Council Members are Testing, Inspection and Certification Bodies which provide essential services related to testing, inspecting and certifying products.
  - *ISO/IEC 17065, The international standard for ensuring competence in organizations performing certification activities*
  - *ISO/IEC 17025, The international standard for General requirements for the competence of testing and calibration laboratories*
- Product Certification is the evaluation and confirmation by an independent third party that a representative product sample meets the requirements of applicable, published standard(s).
- Requirements may be related to safety, performance or quality assurance
- Product Certification may be voluntary or mandatory, depending on jurisdiction.



# Certification Marks and Self-Declaration Marks



- A Certification Mark issued by a Certification Body indicates that a representative product sample was tested and met the requirements of a published standard. Additionally, the product is in a Certification Program which will have additional requirements such as an initial factory audit, and periodic inspection or testing activities which may include lot inspections.
- Certification Marks are owned by the Certification Body. The Certification Body grants authorization to use their Certification Mark to third parties. Certification Marks may not be used without authorization.
- CE Mark *with* a four (4) digit number indicates assessment by an independent third party. Without the 4 digit number is a self declaration.
- Trade organizations certification programs and marks





# Counterfeit Certificates: Red Flags





CE certificate of Conformity  
Directive 93/42/EEC, 98/79/EC, 2000/70/EC, 2001/104/EC  
In Medical Devices

Certificate No. : TA 6010535 0001  
Report No. : 21235785 002

Applicant : MEDICOMP Kft.  
Rezeda utca 2, 6800 Hódmezővásárhely  
Hungary

Manufacturer : MEDICOMP Kft.  
Rezeda utca 2, 6800 Hódmezővásárhely  
Hungary

Product : 3 Ply Surgical Face Mask

**COUNTERFEIT**

11-Feb-2020

TUV Rheinland LGA Products GmbH - Tillystrabe 2 - 90431 Nürnberg

TUV Rheinland LGA Products GmbH is a Notified Body according to the Directive 98/79/EC Concerning in 3 ply surgical face mask medical devices with the identification number 0197.









CE The EC marking may only be used if all relevant and effective EC directives are complied with CE

- Miss Spellings, font or language changes
  - Product description does not exactly match the product
  - Models and model numbers vary
  - Design and content of the certificate, formatting
  - Claim of certification to the wrong standard
  - Dates and date coding
  - Location and location coding
  - Name and location in the signature block
  - Certificate not available on CB's website
  - Distorted or wrong Logos, wrong colors
- 
- Most test labs and certification bodies will have very specific formats and identifying features within their reports, labels and certificates.
  - If you cannot identify or contact the Certification Body contact the TIC Council Secretariat ([secretariat@tic-council.org](mailto:secretariat@tic-council.org)).



# Certification Body Quick Reference



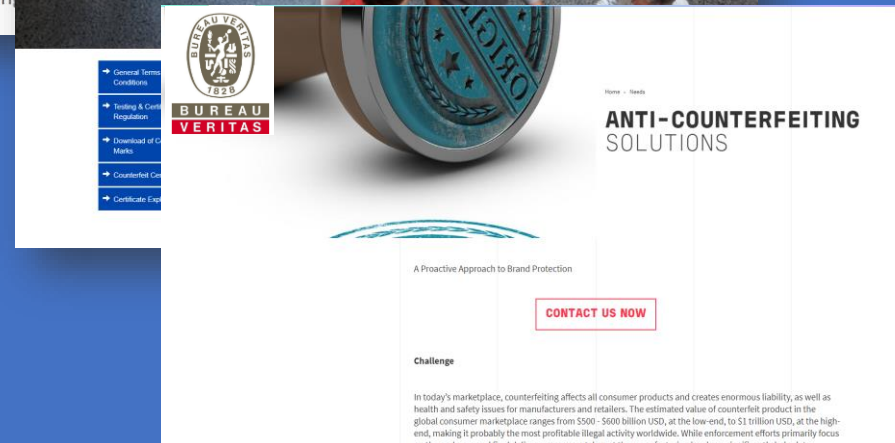
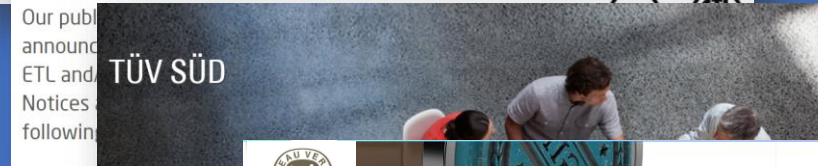
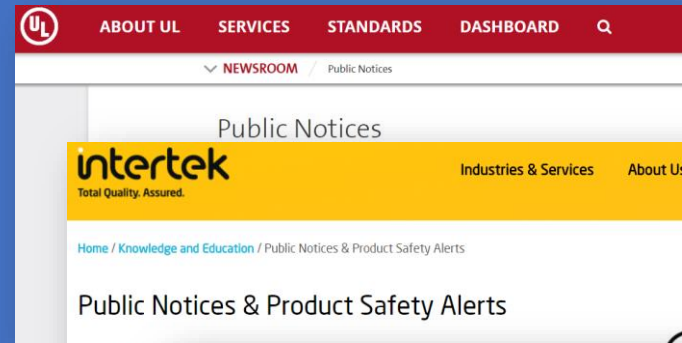
	TIC Council Member	Verification Database
	<b>Bureau Veritas Consumer Products Services</b> www.cps.bureauveritas.com	<a href="https://csportal.us.bureauveritas.com/certification/nrtl-scc/">https://csportal.us.bureauveritas.com/certification/nrtl-scc/</a>
	<b>Dekra</b> www.dekra.com	<a href="https://dekra-product-safety.com/en/about-dekra/certified-products">dekra-product-safety.com/en/about-dekra/certified-products</a>
	<b>Eurofins</b> www.eurofins.com	<a href="https://metlabs.com/about/certification-database/">metlabs.com/about/certification-database/</a>
	<b>Intertek</b> www.Intertek.com	<a href="https://intertek.com/directories">intertek.com/directories</a>
	<b>SGS</b> www.sgs.com	<a href="https://sgs.com/en/certified-clients-and-products">sgs.com/en/certified-clients-and-products</a>
	<b>TUV Rheinland LGA Products GmbH</b> www.tuv.com	<a href="https://certipedia.com">certipedia.com</a>
	<b>TUV SUD Product Service GmbH</b> www.tuev-sued.de	<a href="https://www.tuvsud.com/en/services/product-certification/ps-cert">https://www.tuvsud.com/en/services/product-certification/ps-cert</a>
	<b>UL</b> www.ul.com	<a href="https://ul.com/database">ul.com/database</a>

# Other Efforts to Fight Counterfeiting

## Education



## Public Awareness





**Now available...**



White Paper: *Identification and Impact of Counterfeit Test Reports and Certificates in the Global Marketplace*

[https://www.tic-council.org/application/files/5215/9290/6351/TIC\\_Council\\_WhitePaper-Falsified\\_Test\\_Reports\\_and\\_Certificates\\_final.pdf](https://www.tic-council.org/application/files/5215/9290/6351/TIC_Council_WhitePaper-Falsified_Test_Reports_and_Certificates_final.pdf)

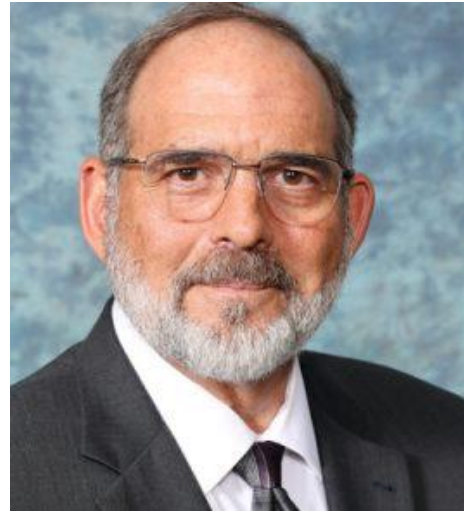
If you are interested in more information, please contact: [secretariat@tic-council.org](mailto:secretariat@tic-council.org)



# Questions?



Michael  
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Palmer  
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Rick  
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Testing, inspection and certification

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