

A faint, light blue network diagram with nodes and connecting lines is visible in the background of the slide.

Beyond Takedowns

Building a Resilient Global IP
Defense Strategy in the
Digital Marketplace

IP FORWARD

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Executive Summary

The global counterfeit trade, valued at \$500 billion annually (OECD 2021, Global Trade in Fake Goods), has evolved from a mere nuisance into a systemic threat to brand integrity, consumer safety, and revenue. Western brands face a particularly acute challenge: approximately 80% of counterfeit goods originate in Asia, where enforcement complexities and cultural barriers render traditional protection strategies ineffective.

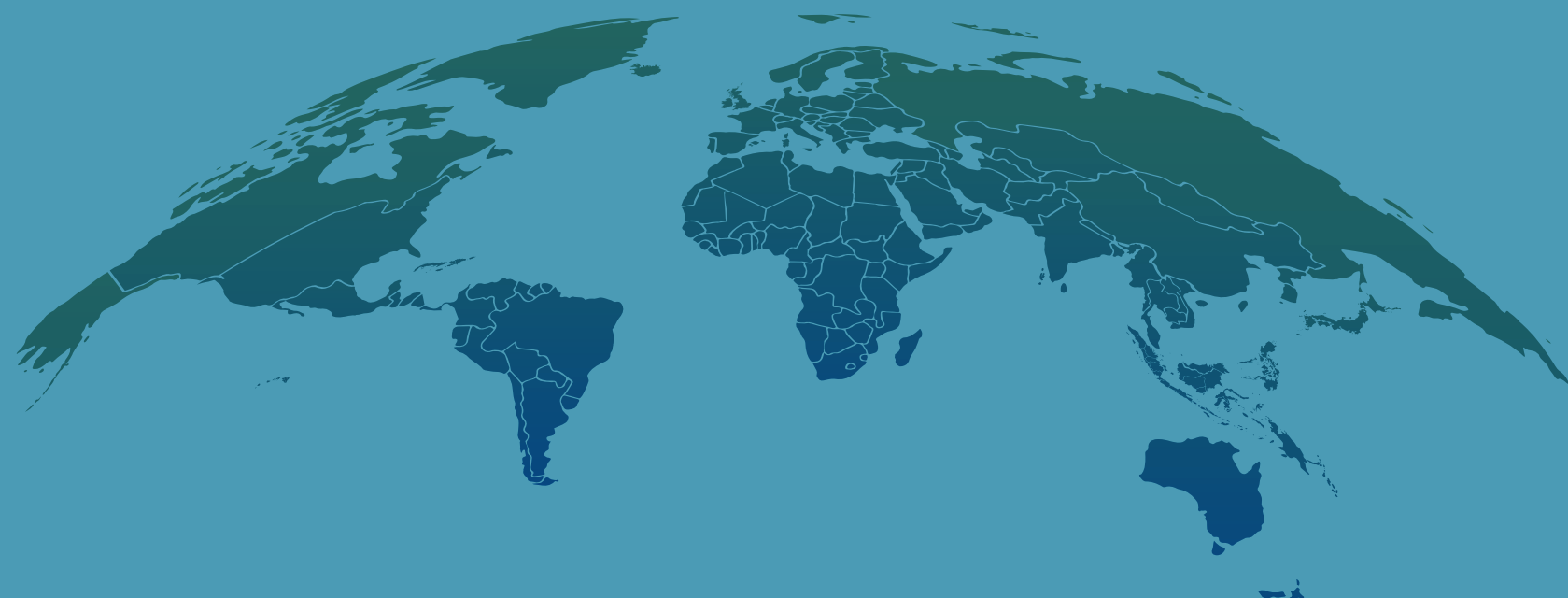
IP FORWARD Group bridges this divide through its Online-to-Offline (O2O) methodology, a comprehensive approach that combines AI-powered surveillance with multilingual human investigators and on-the-ground legal action. This whitepaper explores why conventional protection methods fall short in Asia's dynamic markets and presents a framework for building proactive, cross-border IP defense strategies.

SECTION 1

The Evolving Counterfeiting Landscape

The Scale of the Problem

The economic impact of counterfeiting continues to grow at an alarming rate. According to OECD projections, the global cost will reach \$700–\$800 billion by 2027 (Based on OECD figures and projections). Beyond financial damage, counterfeit products pose serious health and safety risks – the World Health Organization reports that one in three counterfeit pharmaceuticals lacks active ingredients, potentially endangering consumers who unknowingly purchase these products (WHO 2017, Falsified Medical Products).



Sophisticated Tactics Demand Sophisticated Responses

Today's counterfeiters employ increasingly complex strategies to evade detection and enforcement:

Small-Lot Production:

To minimize detection risk, counterfeiters now produce in small batches – sometimes as few as 50 units – making them harder to track through traditional customs screening.

Transshipment Fraud:

Counterfeiters routinely route products through multiple countries to mask their origins. A product manufactured in China might travel through the UAE before reaching Germany, effectively obscuring its provenance. This tactic has become so prevalent that 40% of EU counterfeit seizures in 2023 involved goods that had been transshipped through intermediary countries (Eurostat 2023 – Counterfeit Goods in the EU).

Digital Deception:

The online marketplace has created new opportunities for counterfeiters to target consumers:

- Sophisticated SEO manipulation allows fake sites to outrank legitimate brand websites in search results
- Unauthorized use of brand logos and trademarks has expanded beyond physical products to digital assets on NFT marketplaces
- Complex networks of drop-shipping arrangements connect online storefronts to hidden manufacturing operations

Counterfeit production hubs, trade routes, and seizure hotspots

Key

Production country

Production hub

Significant seizure ports

Significant land border

Major Trade Routes



SECTION 2

Why Traditional Online Protection Fails

The Limits of Western-Centric Solutions

Most Western brands rely on protection services based in Europe or North America, creating fundamental blind spots in their defense strategies: Language barriers present a significant challenge, as automated monitoring tools often miss nuances in listings written in Mandarin, Vietnamese, or Thai. Without native-speaking analysts, sophisticated keyword variations and cultural context remain undetected.

Legal jurisdictions further complicate enforcement efforts. While takedown requests on Western e-commerce platforms tend to follow a standardized approach, many Asian platforms—such as those in China and Japan—often establish rules based on their respective domestic laws. As a result, the criteria for filing complaints may differ significantly.

Furthermore, communication barriers due to language differences frequently make it difficult to identify the appropriate contact person or to engage in effective consultation and negotiation with local platform providers.

AI's Hidden Flaws

While artificial intelligence offers powerful screening capabilities, its limitations become apparent when deployed without human oversight:

False positives plague overly aggressive algorithms, flagging legitimate sellers and damaging partner relationships. For instance, there have been instances where Amazon's automated system made incorrect detections, ultimately escalating into legal disputes.*

Equally concerning is that adaptive counterfeiters now use AI-generated images specifically designed to bypass detection systems, creating a technological arms race that AI alone cannot win without human intelligence to guide it.

[*https://www.japantimes.co.jp/news/2025/04/25/japan/crime-legal/amazon-compensation-order/](https://www.japantimes.co.jp/news/2025/04/25/japan/crime-legal/amazon-compensation-order/)

The "Takedown Trap"

Many brands fall into what we call the "takedown trap" – focusing on removal metrics without addressing root causes.

A sports apparel brand exemplified this problem when they proudly reported removing 15,000 listings annually while simultaneously experiencing a 20% growth in counterfeit sales. When IP FORWARD analyzed their situation, we traced 80% of these listings to just three repeat offenders operating in Fujian, China. By shifting from endless takedowns to targeted factory raids, the brand achieved a 60% long-term reduction in counterfeits.

SECTION 3

The IP FORWARD O2O Advantage

Three-Layered Defense in Action

IP FORWARD's Online-to-Offline methodology provides comprehensive protection through a coordinated three-layered approach:

Online Monitoring:

Our monitoring technology is capable of covering over 400 platforms, including emerging markets such as TikTok Shop, niche NFT marketplaces, and even social media advertisements where counterfeit networks are active. We tailor our service packages to meet your specific needs. Our proprietary keyword algorithms detect sophisticated evasion tactics, such as intentional misspellings (e.g., "Nkie" instead of "Nike") or character substitutions designed to bypass automated filters.

Offline Investigation:

When suspicious patterns emerge, our teams conduct targeted test purchases to gather physical evidence. The purchased products can undergo forensic analysis at IP FORWARD's partner laboratories, enabling us to determine whether they are counterfeit, identify manufacturer-specific traits, and verify any pre-shared authentication markers. For persistent threats, our supply-chain mapping capabilities include deploying undercover agents to infiltrate manufacturing hubs and trace networks back to their source.



Case Study: Vietnam Raid

A luxury brand discovered counterfeit handbags being sold through a sophisticated Shopify store with servers hosted in Singapore. Despite multiple takedown attempts, the operation continued to reappear under new domains.

IP FORWARD's Vietnamese team traced payment processors to a warehouse in Ho Chi Minh City, collaborating with local police to coordinate a raid. The operation resulted in \$2.3 million in seized goods, eight arrests, and a 93% delisting rate on Shopify within 90 days as connected storefronts were identified and removed.

Legal Enforcement:

IP FORWARD maintains strategic partnerships with customs agencies and law enforcement across Asia, enabling rapid and effective raids when physical evidence warrants action. These relationships, built over decades, provide access to enforcement channels that remain closed to most Western companies operating independently.

Online-to-Offline (O2O) methodology



Case Study: 2020 China Food Counterfeiting Crackdown

Context: A multinational food manufacturer faced persistent counterfeit operations across Chinese e-commerce platforms, despite ongoing monitoring and takedown efforts. The counterfeiters operated in Guangdong, Fujian, Zhejiang provinces, and Shanghai, targeting the food industry.

Issue: Malicious counterfeiters repeatedly sold fake products online, undermining brand integrity and consumer trust. Existing measures (e.g., monitoring, removals) proved insufficient to deter repeat offenders.

Action

1. Investigation:

The rights holder partnered with IP FORWARD and Chinese authorities to identify five high-risk counterfeiters through internet surveillance and on-site investigations. Three interconnected counterfeit networks were confirmed.

2. Collaboration:

Public security authorities, e-commerce platforms, and legal teams coordinated to gather evidence (e.g., transaction records, logistics data) and assess illegal business volumes (exceeding 100,000 RMB threshold for prosecution).

3. Crackdown:

Police conducted a two-day nationwide operation, raiding 11 sites (manufacturing, storage, and sales facilities) with intelligence from e-commerce platforms and pre-raid investigations.



Outcome

1. Seizures:

4,753 finished products, 2,011 semi-finished items, ~30,000 counterfeit packages, and 8 manufacturing machines.

2. Detentions:

41 individuals detained; 11 criminally indicted.

3. Impact:

The operation disrupted interconnected counterfeit networks, imposed heavy penalties, and set a deterrent precedent. Positive industry recognition followed, highlighting the effectiveness of public-private partnerships in combating counterfeiting.

Key Takeaway

Proactive collaboration between rights holders, legal experts, and law enforcement, combined with data-driven investigations, can dismantle sophisticated counterfeit networks and strengthen brand protection.

SECTION 4

Industry-Specific Success Stories



SEIKO
GROUP

LUXURY WATCHES

Case Study: [Seiko Group Corporation](#)

Challenge:

Seiko Group Corporation faced an evolving counterfeiting landscape where traditional manufacturing had become increasingly fragmented. Watch components (dials, cases, bezels) were now produced separately and often in different countries—parts manufactured in China while assembly occurred in Pakistan—making it extremely difficult to identify manufacturers and distributors. Additionally, a new threat emerged: "illegally modified products" combining imitation parts from multiple brands, such as Seiko dials paired with design elements from other manufacturers.

Solution:

Seiko partnered with IP Forward to implement strategic online monitoring that addressed both traditional counterfeits and modified products. IP Forward helped identify regions and marketplaces with high concentrations of counterfeit listings, enabling Seiko to prioritize enforcement efforts based on business impact. For detecting illegally modified products—which lack direct counterparts for AI comparison—IP Forward's human analysts conducted meticulous visual inspections of individual listings, a time-intensive process that automated systems cannot effectively perform.

The collaboration enabled Seiko to focus intensively on strategically important markets and facilitated cross-brand cooperation with other manufacturers facing similar design theft issues. IP Forward's real-time reporting capabilities helped Seiko stay informed about emerging counterfeiting trends, demonstrating how the combination of technological monitoring and human expertise addresses both traditional and evolving brand protection challenges.



BEVERAGES

Case Study: [Suntory Holdings Limited](#)**Challenge:**

Suntory Holdings, known for their "Sesamin" supplement series, discovered counterfeit versions of their products were reaching customers in the Asian market, particularly Taiwan. These counterfeits threatened both customer safety and brand integrity. The problem came to light when Suntory's Taiwan office received inquiries from customers who had purchased what they believed were genuine supplements from unofficial online sources.

Solution:

IP FORWARD implemented comprehensive online monitoring starting in December 2021 to identify and reduce points of contact between counterfeit products and consumers. Their strong network presence in China and Asia was particularly valuable as most counterfeits originated from Chinese manufacturers targeting Taiwan consumers through e-commerce platforms. IP FORWARD helped Suntory establish a systematic approach to identify subtle differences between authentic and counterfeit products.

Result:

The brand experienced 70% sales recovery in affected markets and recorded a 50% drop in customer complaints about product authenticity and quality issues.



IP FORWARD dashboard

SECTION 5

Building Your Custom IP Strategy

Effective brand protection requires a tailored approach based on your specific risks and resources. IP FORWARD has developed a four-step framework to guide global brands:

Risk Assessment

Developing an effective strategy begins with comprehensive risk evaluation. Brands must audit high-risk channels specific to their market segment—TikTok for Gen Z consumers, Alibaba for B2B vulnerabilities, or industry-specific marketplaces where counterfeits proliferate. IP FORWARD's Counterfeit Heat Map technology identifies geographic and platform vulnerabilities specific to your brand and product categories, revealing patterns that might otherwise remain hidden. This data-driven approach ensures protection resources are allocated to the areas of greatest risk and potential impact.

Hybrid Deployment

The most effective brand protection balances technological efficiency with human expertise. Rather than relying solely on AI alerts or human analysis, a hybrid model ensures appropriate escalation and intervention. A technology company implementing this approach with IP FORWARD reduced erroneous enforcement claims by 75% while simultaneously increasing successful takedowns. The key was implementing a human review system for AI-flagged items before enforcement action, allowing analysts to prioritize clear violations while investigating edge cases more thoroughly.

Localize Enforcement

Global brands must prioritize jurisdictions with weak IP enforcement frameworks or high counterfeit production rates. Indonesia, the Philippines, and parts of China often require special attention due to complex local regulations and enforcement challenges.

A strategic approach includes registering trademarks locally to expedite takedown processes on regional platforms. Companies that map enforcement priorities against regional risks can achieve significantly higher success rates than those applying uniform global policies.

Measure Impact

True protection goes beyond counting takedowns to measure actual infringement rates and market impact. IP FORWARD's dashboards track not only enforcement actions but also:

- Reappearance rates of removed listings
- Geographic shifts in counterfeit production
- Revenue recovery in protected markets
- Consumer complaint reductions

This holistic measurement approach ensures resources are directed toward strategies that deliver tangible business results rather than merely impressive enforcement statistics.

SECTION 6

Implementation Best Practices

Realistic Timelines

Effective brand protection requires patience and persistence. Organizations should allocate 6–12 months for thorough investigation and 12–24 months for sustained enforcement to see lasting results. Quick-fix solutions typically deliver temporary improvements followed by adaptation from counterfeiters.

IP FORWARD works with clients to develop phased implementation plans that build momentum through strategic, targeted actions before expanding to comprehensive coverage.

Navigating Compliance

Brand protection activities must navigate complex regulatory frameworks, including GDPR in Europe and varying data privacy laws across Asia. Evidence gathering must comply with local regulations to ensure enforcement actions withstand legal scrutiny.

IP FORWARD's encrypted evidence-gathering tools and regional legal experts ensure that all actions conform to jurisdiction-specific requirements, preventing procedural dismissals that can undermine enforcement efforts.

Stakeholder Alignment

Successful brand protection requires coordination across multiple organizational functions. Legal teams, marketing departments, and supply chain managers must align their efforts to close internal vulnerabilities and present a unified front against counterfeiters.

Regular cross-functional reviews and shared metrics help organizations maintain this alignment, ensuring that protection strategies evolve alongside business operations and market conditions.

SECTION 7

Converting Protection to Competitive Advantage

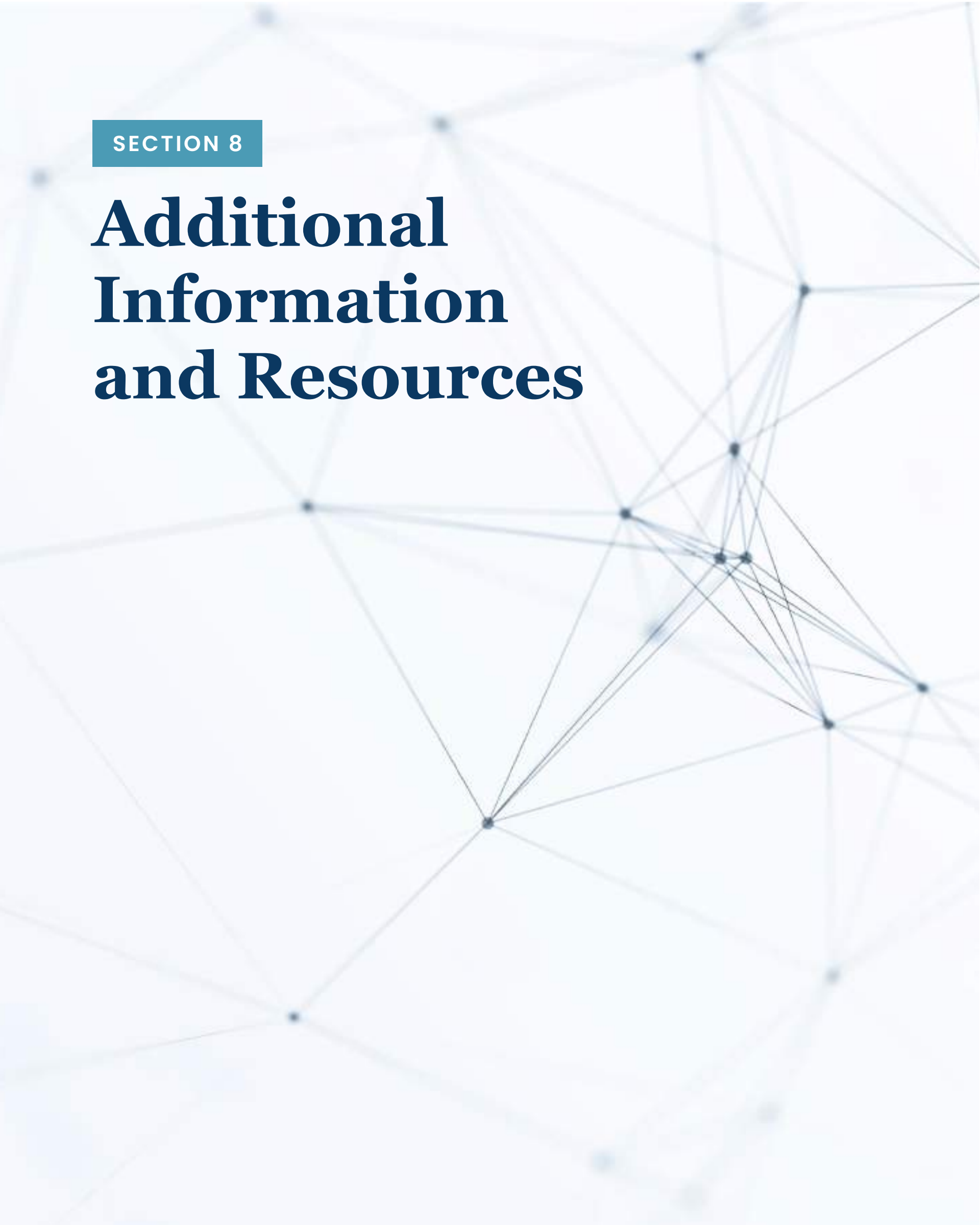
Counterfeiting represents more than just a legal challenge—it's a war of attrition that requires marrying advanced technology with human expertise and determination. IP FORWARD's Online-to-Offline model transforms brand protection from a defensive necessity into a strategic advantage:

Proactive prevention stops counterfeits before they reach consumers, protecting both revenue and reputation. By addressing the manufacturing sources rather than just their digital storefronts, brands can disrupt the economic incentives driving counterfeit production.

The return on investment is clear and measurable: For every dollar invested in comprehensive protection, our clients recover an average of five dollars in previously lost revenue, according to our 2024 client survey. This ROI comes not just from preventing losses but from actively reclaiming market share previously surrendered to counterfeiters.

Most importantly, effective protection creates consumer confidence. When customers know they can trust the authenticity of your products regardless of where they purchase them, brand loyalty strengthens and premium positioning becomes more defensible.

The global marketplace demands global protection. IP FORWARD's unique combination of technological tools, human expertise, and regional presence provides the comprehensive defense that modern brands require. By bridging the gaps between online detection and offline enforcement, we help clients transform counterfeiting from an ongoing drain on resources into a conquered challenge.



SECTION 8

Additional Information and Resources

Resources

OECD Counterfeiting Reports

[View reports →](#)

Regional IP Law Guides

[View guides →](#)

Glossary

- **Gray Market:** Legitimate products sold through unauthorized channels
- **O2O Methodology:** Online-to-Offline approach connecting digital monitoring with physical enforcement
- **SEO Manipulation:** Techniques used to direct search traffic to counterfeit sites
- **Test Purchase Program:** Systematic acquisition of suspected counterfeit goods for evidence gathering

SECTION 9

Next steps:

Take the first step toward comprehensive brand protection:

Schedule a consultation with our regional specialists to audit your brand's specific exposure

[Schedule consultation →](#)

Request a demo of our real-time monitoring dashboard and enforcement tracking system

[Request demo →](#)

IP FORWARD

About IP FORWARD

- 150+ cases successfully managed in 2024
- Offices in Japan(Yokohama, Tokyo), China(Shanghai), and Vietnam(Hanoi)
- Multilingual teams covering 8 Asian languages
- Specialized expertise across luxury goods, pharmaceuticals, automotive, and consumer electronics, Foods and supplements sectors

Our Clients

