

CASE STUDY

# Dainese Authenticity & Traceability Program



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## Dainese Authenticity & Traceability Program

Introduction

Established in 1972 by Lino Dainese, a 24-year old motorcycling enthusiast, Dainese has been at the forefront in advancing and promoting safety in dynamic sports through innovation and ergonomics.

Having created the very first technical racing suit, ceaseless innovations followed, including the back protector, protective knee slider, composite armor, and more recently D-air<sup>®</sup> – a protection technology platform that uses an intelligent system to detect danger situations and inflate special airbags developed for motorcyclists.

The Dainese commitment to performance and safety has always been so strong that it couldn't help reaching beyond motorcycling, steadily growing to embrace cycling, skiing, horse riding, and sailing.

#### Business challenges – Fight against Counterfeiting and more

An initial online brand protection analysis carried out by OpSec quickly highlighted the counterfeit challenges that Dainese were facing. Having no authentication security built into the product or labelling made verification difficult for many customers. In addition, instances of parallel trading and potential 'third shift' and undeclared manufacturing were identified. A comprehensive online brand protection program was only possible through an effective instrument that permitted brand protection teams and customers to easily distinguish an original product from a fake product.

Dainese required a solution that would enable visibility of its global supply chain, whilst enabling customers to confidently authenticate and register original product. It was vital for the ethos of the brand that customers could have complete confidence in the quality, performance and safety of official Dainese apparel and equipment.

At the same time, it was also critical that all components of the solution would not only compliment, but also enhance existing brand designs and messaging, both in the physical and digital space.

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#### **Dainese Authenticity & Traceability Program**

Dainese's solution, developed among the Dainese management and OpSec team, combined three key undertakings that would help to secure, enhance and protect Dainese products through the complete supply chain, from the manufacturers to consumers:

- Product Authentication & Brand Enhancement at the heart of the solution would lie OpSec's OVD (Optically Variable Device) security providing uncompromised optical authentication features. OpSec would produce a range of products including Certificates of Authenticity, hang tags, packaging labels and sewn-in labels. These products make it easy to distinguish an original product from a fake product, protecting and enhancing the Dainese brands
- Consumer Engagement & information by simply scanning a QR code, consumers can directly check the product authenticity, product information and register the products' warranty. This is possible through a real time dialogue between the OpSec Insight platform and the Dainese online platform, which also collects valuable consumers information both for traceability reasons and direct marketing activity.
- Supply Chain Management & product traceability by interrogating UID usage and distribution patterns within the OpSec InSight platform, Dainese would be able to have visibility of its global supply chain, from manufacturers to dealers and consumers, and the ability to target any 'third shift' activity.

Product + Brand + Consumer Engagement + Supply Chain Management

At the heart of the solution would lie OpSec's OVD (Optically Variable Device) security providing uncompromised optical authentication features.



#### **Product Authentication & Brand Enhancement**

OpSec utilized over 30 years of experience in optical security to create a unique Optically Variable Device (OVD) encompassing multiple security features at overt, covert, and forensic levels.

The OVD, along with unique IDs and specific product information, is then incorporated into branded trim products, including:

- Certificate of Authenticity
- Pressure-sensitive labels;
- Swing tickets;
- 'Tear and Sew' labels (sewn directly into apparel products and helmets).

Incorporating the UIDs into the Tear and Sew labels provides the added benefit of being able to identify the product as genuine for warranty claim management – even after the hangtags had been removed.

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### **Consumer Engagement & Information**

One of the key business needs of Dainese was to improve engagement with consumers in order to gain customer insights, increase brand loyalty and ultimately revenue opportunities. This was achieved by adding the Consumer InSight module to the overall solution.

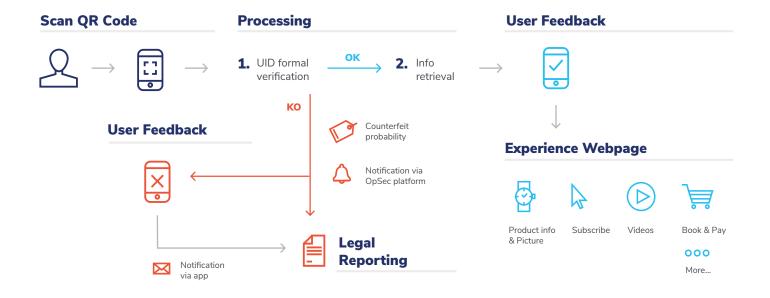
The unique QR code on each hangtag or label encourages consumers to engage with the brand, utilizing any mobile device to:

- Authenticate genuine product
- Discover product features
- Register product warranty and extend warranty where applicable

This then allows Dainese to:

- Acquire Consumer information
- Conduct specific and direct general marketing activity
- Fully trace the product

Attempts to authenticate non-verified UIDs or multiple attempts to authenticate the same UID will create counterfeit alerts that can be investigated by enforcement staff.



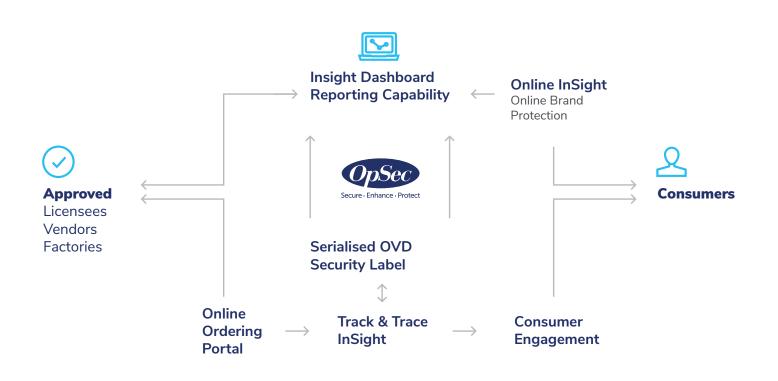
#### **Supply Chain Management & Product Traceability**

Dainese employed OpSec InSight<sup>™</sup>, a proprietary product lifecycle management platform incorporating Track and Trace technology, to allow full exposure to individual products throughout the supply chain, thereby minimizing and identifying immediate points of diversion.

Together OpSec and Dainese link critical product, manufacturing, supply chain, and order information together, and then assign this data to a unique OpSec InSight ID number.

This process enables Dainese to have deep control and visibility over its global sourcing and manufacturing supply chain, which in turn facilitates manufacturing efficiency measurement, waste/scrap reduction, and empowerment for standardized metrics and continuous improvement.

Through the OpSec Insight and Dainese platforms, Dainese's products are traced from the manufacturers to dealers and consumers, and Dainese is able to target any 'third shift' activity.





#### Conclusion

The integrated Authenticity and Traceability program developed among the Dainese and OpSec teams offers a turnkey solution to many of the challenges faced by leading sportswear companies.

It firstly helps in the fight against counterfeit products by providing premium, brand enhancing Certificates of Authenticity and hang-tags with optical technology holograms integrated into Dainese products. The solution helps to both enhance and protect the brand in the eye of the dealers and consumer.

The system enables Dainese management, enforcement teams (customs), dealers and end-customers to authenticate individual products to ensure brand protection and identify counterfeit products.

Secondly, it encourages consumers to "buy authentic" and directly engage with the brand via their mobile device.

Finally, it allows for products to be traced from the manufacturers to dealers and consumers to give Dainese control of the entire manufacturing and supply chain process and to identify any illegal products traded anywhere in the world.

#### **About OpSec**

For nearly forty years, brands, institutions, and governments around the world have relied on OpSec to ensure the integrity of goods and documents. In a world of rising fraud and black-market alternatives, we are the layer of truth that powers revenue-generating relationships. This is only possible through a unique combination of proven security experience, deep industry expertise, the market's broadest range of solutions, and a commitment to digital and physical integration leadership. For brands that depend on sustained relationships with customers, OpSec secures integrity, enhances loyalty, and protects revenue. For more information please visit **www.opsecsecurity.com**.

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