



Crane Authentication™

Case Study
Regulated & security

Audio-Technica

Staying one step ahead of counterfeiters by collaborating to implement effective countermeasures



As the characteristics of counterfeit products and their methods of sale have changed over time, Audio-Technica has responded by implementing effective countermeasures. Since 2011, Crane Authentication has partnered with the brand to support the collaborative efforts of their internal teams and build a flexible, proactive approach. This brand protection strategy offers a solid vision for the future.

Challenge

The pursuit of excellence in sound recording and reproduction often spans both the technological and the emotional. Nowhere is this more evident than in the story of Hideo Matsushita and Audio-Technica, the brand he established in 1962 in Tokyo, Japan. The company traces its origins back to its first pickup cartridges, as its founder sought to translate his passion for the warmth of analog audio into technology products that would deliver a natural and pure sensory experience for the listener.

The brand has since expanded into headphones, earphones, microphones, turntables, and other audio technology products, providing consumers and sound professionals alike with high-quality and reliable music production, broadcast, and playback, including impactful live performances. Its product sales and trademarks and other intellectual property rights now span more than 110 countries.

Drawing upon its manufacturing traditions and considerable know-how, Audio-Technica has evolved

its technological capabilities to meet the demanding standards of sound professionals. Its products are widely valued and trusted, especially by sound engineers and artists worldwide, while its spirit of innovation has resulted in multiple patents, awards, and pioneering designs, such as the 40 Series microphone.

While expanding its product line-up, Audio-Technica has also grown its business from Japan to the United States, Europe, and throughout Asia. The commitment to high-performance sound quality is symbolized by its production of pickup cartridges, which are still handmade in Japan. Turntables that feature these pick-ups hold top spot¹ in the market in the United States, United Kingdom, and France.

With global recognition of the brand, the past two decades have seen Audio-Technica troubled by counterfeit headphones and microphones. With the explosive growth of e-commerce, the number of counterfeits increased to the point where it became impossible to ignore the impact on the brand.



Solution

Audio-Technica began its anti-counterfeit measures by removing counterfeit listings of its main product line, headphones, and certain other items, mainly on major e-commerce sites in China. The problem was so acute that business and brand value was being diminished and customers negatively affected. After working with Crane Authentication to remove a significant number of counterfeits, the prevalence of fakes across these major marketplace sites in China gradually decreased and the threat diminished.

Today, sales of counterfeit products have spread to Southeast Asia, Europe, and North America, with counterfeits also appearing in South America. In addition to products that are clearly identifiable as fakes, it is becoming difficult to establish the authenticity of an increasing number of products. Audio-Technica works closely with local staff overseas who are familiar with local conditions and Crane Authentication analysts who are familiar with the conditions of e-commerce sites in each country, enabling even more effective anti-counterfeiting measures.



Crane Authentication Marketplaces: comprehensive monitoring and enforcement in multiple countries and on multiple online marketplaces to effectively detect and enforce against sellers of counterfeit goods.

Crane Authentication monitors around 1,000 e-commerce sites worldwide, with the platform covering major as well as medium and smaller regional marketplaces. Its online brand protection analysts are familiar with the laws and regulations of each country,

as well as the operational policies of e-commerce sites. This structure allows brands like Audio-Technica to respond quickly to changes in those regions where counterfeit products are primarily sold. Working together with Crane Authentication, Audio-Technica is equipped to deploy its anti-counterfeiting measures flexibly and respond appropriately to local conditions and languages, even when the countries or e-commerce sites targeted by countermeasures change.

As counterfeit countermeasures expanded to multiple countries, Audio-Technica needed to overcome a lack of internal resources and gaps in brand protection awareness. The brand first narrowed down the area to be covered by the countermeasures, and by showing the actual results of the removal of infringing products, fostered a sense of internal ownership in each person in charge of the project.

Results

Working with internal teams, especially from overseas offices, on a manageable scope and establishing a track record of results has enabled Audio-Technica to establish a mutually successful framework for cooperation. It has also helped expand the response to online counterfeit selling. Successful removal of infringing products has built trust in the approach of head office in Japan and fostered positive engagement with overseas teams. Significantly, it has also led to a company-wide, proactive approach to online anti-counterfeiting measures.

"We have seen a decrease in the number of counterfeit products, which has been very helpful. We have asked Crane Authentication to build a comprehensive countermeasures system to deal with various problems that occur online, such as the listing of IP infringing goods, fraudulent websites, and fake advertisements on social media. Crane Authentication's services have helped us resolve problems quickly and effectively, and they have contributed greatly to the stability of our global online business environment."

Moriya Ishikawa, Legal & Intellectual Property Section, Administration Department, Audio-Technica Inc.

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