# **CASE STUDY**



# Tasmanian Distillery Knocks Out Counterfeiters with HID Global's IoT Platform for Brand Protection









"The beauty of the solution is that the customer simply taps their phone to the bottle at the time of purchase; that's all they need to do to receive information over a secure encrypted communications channel that authenticates the provenance of the whiskey down to the actual bottle number."

**Robbie Gilligan,** Business Manager and Brand Ambassador, Old Kempton Distillery Old Kempton Distillery is located in the small town of Kempton in Tasmania, an island state of Australia, where it produces some of the finest single malt whiskey in the country. As a premium, top-shelf brand, Old Kempton Distillery whiskeys are produced on site, then distilled, aged and bottled all on their property.

# **Challenges**

Protecting major brands against counterfeit goods is a global challenge across all industries since grey market goods and counterfeiting typically results in lost sales and a poor customer experience that damages the brand. Today, a brand's success can be measured by how sophisticated the attempts are to imitate it by counterfeiters.

"Counterfeit product is a big problem, particularly in the whiskey industry," said Robbie Gilligan, Business Manager and Brand Ambassador for Old Kempton Distillery. "As a growing Tasmanian industry, we feel strongly that we must take proactive steps to protect the brand we created."

Aside from lost sales, damaged reputation and a poor customer experience, counterfeiting is a potential safety issue, as counterfeit liquor sometimes contains toxic contaminants according to the American Chemical Society, which cites counterfeit-liquor-related deaths in Indonesia, Mexico and China, among other countries.

Old Kempton Distillery was seeking a solution that would guard against grey market activities and allow customers to authenticate their product at the time of purchase. A secondary goal was to use the new solution to drive personalized and ongoing engagement with customers after their purchase.

"Finding a way to deepen our relationships with customers through relevant and continued engagement is also a top goal for us," said Gilligan. "We want to provide our customers with new ways to easily stay connected and search our website through customized links they receive based on their previous purchases."

### Solution

Tasmania's Old Kempton Distillery selected local integrator AusNFC and the IoT offering from HID Global, HID Trusted Tag® Services, to deploy a powerful cloud product authentication service that would help the distillery eliminate counterfeiting, protect against grey market activities and allow customers to authenticate their product at the time purchase.

### How it Works

- The brand protection solution incorporates HID Trusted Tag Services into the AusNFC web application.
- A cryptographically secure HID Trusted Near Field Communication (NFC) tag is embedded into the label of every liquor bottle, which links to HID's cloud authentication service.





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> Larry Hower, CEO, AusNFC.



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- By tapping an iPhone or Android phone to the bottle, the customer activates a secure communications channel that verifies the product.
- Each tap generates a unique URL, preventing counterfeiters from copying, spoofing or manipulating the URL for false verification.

"The beauty of the solution is that the customer simply taps their phone to the bottle at the time of purchase; that's all they need to do to receive information over a secure encrypted communications channel that authenticates the provenance of the whiskey down to the actual bottle number," said Gilligan. Unlike QR codes, each individual tap generates a unique URL that cannot be cloned, so only the customer can see the verification information and a counterfeiter cannot spoof, manipulate or otherwise use the URL to provide false verification.

### **Benefits**

Brand protection is a chief benefit of the HID Trusted Tag Services solution, allowing customers to verify that each bottle of Old Kempton whiskey is genuine. Gilligan added, "We needed to protect our brand by using the best technology available, and we believe that HID Trusted Tag Services, coupled with the web applications and support provided through AusNFC, delivered just that."

Beyond its anti-counterfeiting features, the joint HID and AusNFC offering opens a new and powerful avenue for Old Kempton Distillery to stay connected with customers via direct and hyper-personalized communications that help the distillery build brand loyalty in a privacy-preserving, closed environment. "We find HID's IoT solution to be applicable to many different industries," said Larry Hower, CEO of AusNFC. "HID Trusted Tag Services is changing the game for authenticating brands and staying connected to buyers through a mobile experience."

The solution also strengthens Tasmania's appellation registration, which requires distilleries to demonstrate systems that confirm manufacturing location. It also serves as an effective avenue for customer engagement after the sale.

"We've established ourselves as a premium top-shelf brand through Tasmanian malted barley, world-class water and an amazing climate that produces a rich whiskey that is winning awards worldwide," said Gilligan. "The brand protection solution from HID and AusNFC goes a long way in helping us preserve the uniqueness of our whiskey and shutting the door to imitations."

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