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NEWS RELEASE

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Verify Brand featured in “Label and Narrow Web” magazine

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In 2003, the US Food and Drug Administration (FDA) announced a mass recall of the cholesterol-lowering drug Lipitor. The recall, triggered by the discovery of counterfeits, affected more than 130,000 bottles.

While drug counterfeiting in the US is still rare, the number of investigations are on the rise. According to the FDA, the number of counterfeit drug investigations has risen from an average of five per year in the 1990s to more than 20 per year since 2000.

Widely publicized cases such as the US Lipitor recall of 2003 have catapulted the issue of counterfeited drugs into public view. All this attention has trickled down into the label industry, where many industry pundits report a rise in interest of tamper evident and security packaging.

Economics

If RFID and complex features are out of the price range of some pharmaceutical customers, less expensive alternatives that add security to the pharmaceutical supply chain are appearing as well. Verify Brand is a relatively new company that works with pharmaceutical companies and their label vendors. The label printer would generally print a code on the pharmaceutical label, along with a URL or phone number. Consumers and suppliers can use that contact information to verify that the product is genuine.

“We don’t cause the manufacturers to change their production or distribution processes. They just continue to order labels the way they do today. Once we find a place to put a code on the label, it causes very little disruption, and very little, if any, cost or equipment to the [label] manufacturer,” says Kevin Erdman, president of the Minneapolis, MN-based company.

When it comes to anti-counterfeiting and security initiatives, cost is not the only barrier. Pharmaceutical manufacturers are wary of another problem related to counterfeiting: the ease of duplication.

“A major issue today is the broad range of ‘solutions’ being offered to the pharmaceutical companies and the converters. It has become increasingly difficult for the brand owner and the converter to differentiate between truly effective solutions, and those that are easily counterfeited or imitated,” says John Keane, vice president of sales and marketing for Kurz Transfer Products, in Charlotte, NC.