

'Ababis' and 'Star Wnrs': Knockoffs thrive in China e-commerce

November 11 2018, by Ludovic Ehret



Chinese retail giant Alibaba's Taobao app is home to a treasure trove of knockoffs

Sneakers on a popular Chinese e-commerce platform look like Adidas, but are branded "Ababis". Underwear resembling Calvin Klein are called



"Caiwen Kani". Toys with an uncanny resemblance to a certain blockbuster movie franchise opt for "Star Wnrs".

As China held its massive annual "Singles Day" online sales event on Sunday, shoppers could still find cheap imitations on Alibaba's Taobao app despite the company's efforts to curb sales of counterfeit goods.

US and European companies have long complained about the theft of intellectual property in China, a central issue in the US-China trade war.

President Xi Jinping renewed a pledge this week to protect IP rights, and a law is set to take effect on January 1 to punish e-commerce companies if fake goods are sold on their platforms.

But few moments of the year highlight the policing mountain authorities face quite like Singles Day—China's equivalent to "Black Friday".

AFP was able to find a <u>veritable treasure trove</u> of knockoffs on Taobao ahead of the November 11, or "Double 11", shopping spree. During last year's event, consumers spent a record \$25 billion through Alibaba's platforms.

According to the company, \$10 billion had been generated in the first hour of this year's sales. By 11:00am (0300 GMT), sales had hit \$20.5 billion.





The alcohol section offers bottles of not-quite Jack Daniel's whiskey

Almost every Chinese smartphone has a version of the Taobao app, making it one of the world's largest online trading platforms with 634 million active monthly users.

While the majority of products sold are genuine, imitations abound.

A pair of "Ababis" trainers—with four instead of Adidas' inimitable three stripes—retails at the mouth-watering price of only 39 yuan (\$5.70).

"Balenciaca" sneakers with an uncanny resemblance to the Balenciagas



worn by the likes of Kim Kardashian cost just \$18.

Fake Louis Vuitton handbags retail at just \$17, well below the price of the authentic product.

In the streets of Beijing, some people struggled to figure out if the products shown to them by AFP journalists were the real thing.



A pair of 'Ababis' trainers - with one stripe too many - retails at the mouthwatering price of 39 yuan (\$5.70)

"I can't really tell the difference," said Li, a 26-year-old man staring at a pair of "Caiwen Kani" underwear. "It looks authentic. It is original."



'Jack David' whiskey

A small TIE Fighter from the Star Wars Lego franchise costs \$2, if you are willing to overlook a slight flaw in the product's "Lepin" and "Star Wnrs" packaging.

"I would buy it," said Wang Yu, 37, looking at box. "I think all products are kind of copying each other. I can accept it as long as it suits children. But under the condition that it's good quality."

People buying booze can take a shot at alternative products.

The alcohol section offers whiskey by "Jack David" while Bordeaux wines carry unusual names: "The Heart of Freedom", "Bravespirit", "Dragon Were General".





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In 2016 Taobao was put back on the US Trade Representative's blacklist of "most notorious" markets for its sale of pirated and <u>counterfeit goods</u> and violations of <u>intellectual property</u>.

According to the EU's Intellectual Property Office, counterfeiting costs 434,000 jobs in Europe and 60 billion euros (\$68 billion) per year.

In a statement to AFP, Alibaba said it requires all merchants to respect IP rights and has stepped up efforts to take down listings of counterfeit products.

"Alibaba's IP protection systems and technologies are among the best in the industry and we are always looking for ways to improve them," the statement said.

Alibaba said it has made it easier for small businesses to protect their IP rights. It also supports law enforcement investigations and takes infringers to court, filing 48 lawsuits against counterfeiters in the past year.

The number of requests to take down listings saw an annual decline of 44 percent between September 2017 and August 2018.





A selection of 'Bordeaux' wines with unusual names

Delphine Sarfati-Sobreira, representative of the Union of Manufacturers in Paris, said one out of every two companies falls victim to knockoffs, costing them up to 10 percent of their turnover.

Smaller companies "face difficulties that sometimes push them to give up or, even worse, go bust," she said.

The law comes into force in January and aims to knock the knock-offs off the online retail platforms, but some companies remains sceptical.

"It's pure hypocrisy," said Hubert Ricard, an export consultant for



French wine company "La Guyennoise", complaining that some provincial authorities are "very often" part of "manufacturing and distribution of copies of wines".

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