## EiddenTag ${ }^{\text {® }}$

## Logistics management \& Distribution tracking service proposal

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## Market Status

## Storyboard18

DCGI seeks information on cosmetics consic prevent sale of fake products
DCGI has asked for information on the number of consignment: imports, cost of imported cosmetics, etc.

Food and Drug Administration (.gov)
FDA Warns Online Retailers for $S$ Cigarettes

FDA issues warning letters to five online retaile These warning letters cite the sale of disposabl

## 'Grey market' set to boom

The UK's over-45s make up an increasingly affluent sector whose tast
7 August 2000 - $\quad$ News. - Business

## CBS News

https://www.cbsnews.com > ... ) Local News < ANTARA News
How Do Illegal Beauty Products
Bandung BPOM seizes thousands of illegal cosmetic products
21 nov 2019 —How Do Illegal Beauty Produ The Bandung Food and Drug Supervisory Agency (BPOM) has seized nearly four to injectable products, access to the illegal mi thousand illegal cosmetics without distribution permits and...

... $B B C$
On the trail of Uganda's illegal 'beauty-cream' smugg
26 set 2018 - On the trail of Uganda's illegal 'beauty-cream' smugglers. 2 the products from getting into the market. And we prosecute .

N Pharmacy Scanner
EU Court: the distributor can purchase from the only if authorized for wholesale sales
The European Code on medicinal products for human use (i.e. Direc allows distributors of the drug to purchase from..

GreyScout
https:/lgreyscout.com > Blogs, Grey Market :
Grey Market Threats: Product Diversion
In most cases of product diversion, an unauthorized retailer will reach out to an authorized distributor of a product to purchase items in bulk to sell on e-

## Market Status

Illegal copying is rampant around the world, damage from illegal distribution is increasing, HiddenTag solution is needed.

War against illegal distribution


- Trends in the size of trade in illegal copies (Unit: billion dollars)

(Source: Trends in Trade in
1 major) $2022($ E) estimate


## Various statistics on illegal distribution

- Damage incurred by industry (unit: billion dollars) "Domages occur in various industries such as medicine,


(Source : Frontier economy, 2017)
- Total illegal distribution market size (Unit: billion dollars)
"llegal distribution market size increases

CAGR 11.46\% increase
by $70.3 \%$ in 2023 compared to 2018 "

(Source : Markets and Markets Analysis, 2019)

## Why choose a HiddenTag solution?

## ${ }^{\overline{\underline{\underline{E}}}=\text { idden }}{ }^{1 / T a g}{ }^{\circledR}$

It is necessary to manage individual product distribution information

A logistics system such as entry/exit management and inventory management is necessary.

Monitoring of product sales trends and inventory quantity is necessary.

Scanning information is needed from distributors (vendors) to end consumers.

Want to use a logistics ERP system at a reasonable price.

Market prices are collapsing and want to correct the distribution order.

Want to know where the problem occurs among the numerous vendors (distributors).

## Strengths of HiddenTag distribution management

## General distribution management

All product barcodes are the same so cannot be tracked


General barcode delivery


## HiddenTag distribution management

With just one HiddenTag number for each product, understand the distribution flow from manufacturing to consumers at once.


## Strengths of HiddenTag distribution management

## General distribution management



Shipped with a general barcode using a scanner

No tracking between vendors
and individual products

No tracking between vendors and stores

NO distribution channel info record

All product barcodes are the same, making it impossible to identify individual products


Incoming/outgoing scanning method

## Vendor

Sales store

Consumer

Characteristic

## HiddenTag distribution management



Traceability between vendor companies and individual products

Possible to identify product/distribution channel/IQR unique information

Distribution flow can be identified through consumer scanning activities

Each product is given a unique number for easy tracking and distribution channels can be identified at a glance.

## Strengths of HiddenTag distribution management

## KEY POINT



## No need to purchase hardware

- Easily managed with a tablet or smartphone
- Can be quickly introduced to all vendors
- Cost reduction possible



## Expansion of Consumer Role

- Final consumers participate in the distribution process, making it easy to understand the distribution
flow of exported products
Consumers can check authenticity and
product distribution information through the landing page


## Recommended services by cases

- CASE 1.
- 1:1 combination of HiddenTag and barcode
- CASE 2.
- Combination of "N" HiddenTags and barcode
- CASE 3.
- Aggregation barcode issuance type
- CASE 4.
- Master label (bundle label)


## CASE 1.

## 1:1 combination of HiddenTag and barcode

## CASE 1 Recommended Company

- Want to use more than one device to prevent label damage as much as possible.
- Want to quickly enter the necessary information for each product and easily edit it later.
- Switching is difficult because barcodes have been used previously or barcode use has been stabilized, but distribution tracking is necessary.

| $\overline{E=} \text { iddenlag }$ |  |
| :---: | :---: |
|  |  |
|  |  |
| IQR Number (Label management n .) | iqr_0000000001 |
| Barcode Number | 0000000001 |



- Individual product management via barcode scan information
- Barcode scan and HiddenTag distribution information can be linked
- Can be used in conjunction with product stocking and shipping program


## CASE 1.

<Actual inquiry screenabout customer damaged label >

Q "The product price is too cheap. Is it genuine?"


A "Our company sells only $100 \%$ authentic products purchased from our head office, and they are identical to the products sold online and offline. Therefore, the product barcode that proves that it is genuine is also displayed, so you can purchase with confidence. However, as we supply products at low prices with minimal margins, there are many restrictions and serial codes have been removed to ensure smooth supply, so please keep this in mind when purchasing. Thank you."
< Traceability in case of label damage >


- To prevent distribution tracking, in case of damaged barcode, the seller can be tracked using HiddenTag.
- Able to meet consumers' genuine needs
- Easy to arrest illegal sellers and manage goods


## CASE 2.

## Combination of "N" HiddenTag and barcode

## CASE 2 Recommended Companies

- Companies that use barcode labels only on existing logistics packaging boxes
- The quantity of products in a box is fixed, and individual management is required by attaching HiddenTag to the products.
- Incoming and outgoing shipments are managed manually using Excel, but errors and management accuracy are lacking.
- Want to use the HiddenTag Light version.

- Produced by matching "N" HiddenTags and 1 EA barcode
- HiddenTag label quantity and form can be changed
- Can be provided in CSV file format suitable
 for barcode management

| CSV file ex. |  |
| :---: | :---: |
| Barcode n. | HiddenTag IQR |
| 0000000001 | 123456 |
| 0000000001 | 123457 |
| 0000000001 | 123458 |
| 0000000001 | 123459 |
| 0000000001 | 123460 |
| 0000000001 | 123461 |
| 0000000001 | 123462 |
| 0000000001 | 123463 |
| 0000000001 | 123464 |
| 0000000001 | 123465 |
| 0000000001 | 123466 |
| 0000000001 | 123467 |
| 0000000001 | 123468 |
| - | - |
| - | - |
| - | - |
| - | - |
| - | - |
| - | - |
| - | 123516 |
| 00000000002 | 123517 |

## CASE 3.

## CASE 3 Recommended Companies

- We have our own manufacturer, and line facilities such as existing barcode fixed scanners have been built and are in operation.
- After scanning a certain quantity of barcode labels, it is necessary to automatically issue bundled barcode labels
- Fast product arrival/delivery processing and quantity management are required.



## (1) Scan barcode

- Scan the individual code attached to the product
- Scanned individual code information + certain quantity measurement

(2) Issuance of aggregation code
- Primary aggregation through scanned information
- Check the contents of the box through
the corresponding barcode

(3) Outbox/Set

Scan codes on medium boxes containing individual products

- Generation and attachment of secondary aggregation code


## CASE 4.

## CASE 4 Recommended Companies

- Want to manage it easily with just my smartphone, without barcodes. (Cost reduction)
- Used an existing barcode, but want to manage it simply and easily using my smartphone.
- Want to manage quickly and efficiently through box-by-box scanning during stocking and shipping.


## EX) M label designation for 20 HiddenTags

## <What is the M label?>



- Master label representing sub-products after section designation $=\mathrm{M}$ label
- By attaching it to an outbox and shipping it out, it is possible to quickly manage the arrival and departure of goods.
- Synchronize M label scan history with sub-labels (individual scan required)
- Manage receipts and shipments and check scan history information


## Distribution management service

Scan HiddenTag


Check authenticity


Distribution Management Login
(can be omitted)


Check distribution information

|  |  |
| :---: | :---: |
|  |  |
| Distribution Information |  |
| Division | Details |
| Label n . | 12345678 |
| Product | derma cica cream |
| Manufacturing Date | 2022-12-25 |
| 1st stock out | CK\&B |
| Stock out date | 2023-01-24 |
| 2 nd stock in | HiddenTag |
| Stock in date | 2023-01-27 |
| Point of Sale | HiddenTag |
| Illegal Distribution | no |
| Note | - |

- After recognizing the HiddenTag of the product, click the hidden link
- Backtracking possible to manufacturer/seller/country, etc.
- Check the distribution info registered before shipment via app scan
- Consumers check the distribution channels in the landing page


## Distribution management service

Management of sales outlets, including non-sale items


Identify resellers and non-sale sellers for undistributed or not-for-sale products.

Product distribution management by country


Prevent product outflow to other countries and price blur via country filtering

Distribution channel can be checked


When scanning labels, consumers identify the distribution channel of purchased products

## Logistics management service

| - ALL $\bigcirc$ Return | 2023-12-08 | 2023-12-28 | ALL | $\nabla$ | Detection status $\nabla$ | Search Options $\nabla$ | Search |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |

Registered code $: 368$ / Stock out $: 199 /$ Not stocked out : 169 / Stock in : 196 Product status

| label list | Number of scans per product |  |  | Incoming and outgoing history |  |  | Incoming and outgoing management |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| n. | code | label n . | number of recognitions | n. | Company name | Stocking in time | Stocking out date | Delivery target company | Return date | Return destination |
| 1 | 8567158932 | - | 0 | 1 | CKNB |  | 2022-11-25 15:23:04 | CKNB |  |  |
|  |  |  |  | 2 | HIDDENTAG | 2022-11-25 18:23:04 |  |  |  |  |



## Logistics management service

Search products suspected of being illegally distributed

| - All $\bigcirc$ return | 2023-12-08 | 2023-12-28 | all | unregistered sales countries | search options $\nabla$ | search |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |

Distribution management

| view 10 i | items |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| n. | $\begin{aligned} & \text { Unauthorized } \\ & \text { distribution } \end{aligned}$ | Main barcode n . | Product barcode n . | Product label n . | Product n . | Product name | Country of sale | $\begin{aligned} & \text { Production } \\ & \text { date } \end{aligned}$ | Note | Stock out date | Delivery target company | First stock in date | Last stock in date | Return date | Return destination |
| $6$ | ! | - | 8563210582 | Label number for each product | A-15 | new product 001 | Japan | 2023.11.17 |  | 2023.11.27 | 1st vendor | 2023.11.27 | 2023.11.27 | - | - |
| $5$ | ! | - | 8563210582 | Label number for each product | A-15 | new product 001 | Japan | 2023.11.17 |  | 2023.11.27 | 1st vendor | 2023.11.27 | 2023.11.27 | - | - |
| $4$ | ! | 8563210589 | 8563210589 | 8563210588 | A-15 | $\begin{gathered} \text { new product } \\ 001 \end{gathered}$ | Japan | 2023.11.17 |  | 2023.11.27 | 1st vendor | 2023.11.27 | 2023.11.27 | - | - |
| $3$ | ! | 8563210589 | 8563210589 | 8563210585 | A-15 | $\begin{gathered} \text { new product } \\ 001 \end{gathered}$ | Japan | 2023.11.17 |  | 2023.11.28 | 1st vendor | 2023.11.28 | 2023.11.28 | - | - |
| 2 | ! | 8563210589 | 8563210589 | 8563210581 | A-15 | $\begin{aligned} & \text { new product } \\ & 001 \end{aligned}$ | Japan | 2023.11.17 |  | 2023.11.29 | 1st vendor | 2023.11.29 | 2023.11.29 | - | - |
| 1 | ! 1 | 8563210589 | 8563210589 | 8563210586 | A-15 | $\begin{gathered} \text { new product } \\ 001 \end{gathered}$ | Japan | 2023.11.17 |  | 2023.11.29 | 1st vendor | 2023.11.29 | 2023.11.29 | - | - |

Alarm for products suspected of being illegally distributed

## Introduction effect



## Check product feedback

- Check product sales quantity by country
- Number of buyers in country and city can be determined
- Manufacturer/vendor product cycle can be identified

- 


## Live monitoring

- Capable of identifying consumer feedback by product/country
- Distribution cycle/excellent sales area/ abnormal vendor can be checked
- Check the status of registered codes and label numbers in real time


## Sales growth \& increased reliability

Easy logistics management • Saves time and is convenient to share compared to manual management

- No preparation costs required even for small vendors


## Technology Competitiveness

Impossible to distinguish with the naked eye

Same image,
hundreds of millions of individual data
No. 1 in cumulative downloads/awareness
Application in the field of 'authentication solution'

## Reference



Hang tag


## Unique in the industry with over 1,000 references



HYUNDAI
XZeer

## Take advantage of CK\&B's logistics management \& distribution tracking services.

## CONTACT US

