# Warranty Fraud and your Business





## ELIMINATING FRAUDULENT WARRANTY CLAIMS CREATES SAVINGS

- Warranty fraud occurs when a product manufacturer pays an illegitimate warranty claim because, for example, they are unable to prove that the faulty product is not theirs.
- Eliminating fraudulent warranty claims can save 3-5% of revenue and enhance brand equity.
- 65% of companies do not have an effective program to guard against warranty fraud.





## HIGH RISK SECTORS INCLUDE QUALITY AND BRAND LEADERS

#### High risk sectors include:

- quality and brand leaders
- providers of best in class product warranties
- producers of critical components and systems, and
- producers of mission critical bulk materials such as:
  - paints and coatings
  - adhesives
  - polymers
  - and more...





### Traditional Warranty Fraud protections can be inconclusive and expensive

#### Traditional Warranty Fraud Prevention



1. Claims Investigation



2. Predictive Analytics



3. Legal Action



4. Laboratory Testing

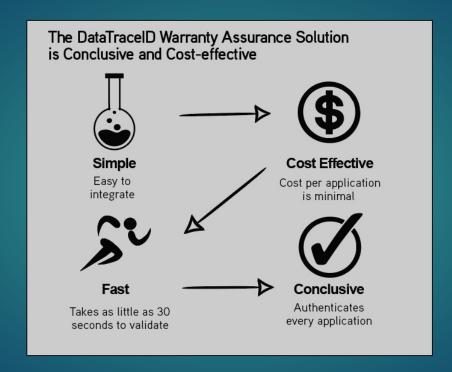
Weaknesses: 1. Inconclusive

- 2. Time and cost intensive
- Limited deterrent effect



## THE DATATRACEID FRAUDULENT WARRANTY CLAIM SOLUTION

- DataTraceID warranty assurance system is a fast and simple means to determine whether or not a warranty claim is genuine
- By simply positioning the DataTraceID Reader system onto the target product and pushing a button, one can determine whether the examined object or material is genuine in around thirty seconds or less
- The DataTraceID Reader system responds to DataTraceID ceramic Tracers that have been previously incorporated into your production at concentrations as low as 50ppm
- For most production systems DataTraceID can provide an input material that is compatible with your existing production methods





### Appendix



### DATATRACE - THE ULTIMATE IN COVERT MARKING

- Patented, best in class, forensic level assurance covert marking solution – in field detection in seconds
- Highly flexible can be added to inks, paints, polymers and other bulk materials
- More than 20 unique codes available; readers can be configured to support code hierarchies, where some readers are only capable of reading a subset of codes for extra assurance
- Now with a data aggregation and reporting service



- Forensic level assurance in the field in seconds no lab work or specialist technicians
- The ultimate in covert marking and anti-counterfeit solutions
- Secure the supply chain and use multiple codes to identify grey market activity and supply chain weakness
- Eliminate false product liability claims



#### Stable & Secure

We are listed on the Australian Stock Exchange. Our headquarters are in Sydney, Australia.

#### Agile

From CEO down, we are an agile team; our focus is to deliver customer benefit as efficiently as possible.

#### **Industry Applications**

Pharmaceuticals, Food and Beverage, Automotive, FMCG, Government, National Security & Defence, Gaming, Industrial Assets, Bulk Materials.

#### **Global Reach**

We have offices in Australia, USA and UK. Our distribution network spans Europe, Africa, The Americas and Asia.



#### Experienced

We have been providing customised authentication solutions for over 10 years.

#### **Leading IP**

Our patented DATATRACE Forensic marking system is "Best-in-Class". We also deploy a number of partner technologies.

#### **Major Brands**

The brands we work with include:









#### **Associations**

ISO Certified, Crime Stoppers, Institute of Packaging Professionals, Interpol, National Insurance Crime Bureau, International Association of Auto Theft Investigators.

### WE HELP COMPANIES TO SOLVE THEIR TRUST CHALLENGES AND OPPORTUNITIES TO BUILD TRUST BASED BRAND EQUITY

#### More than ever Trust is a key driver of performance:

- Lots of companies build Trust, by making their products as good as they can be
- Some companies also take steps to reduce the risk of counterfeit damaging Trust in their brand
- A few companies take steps to increase their brand equity based on higher levels of Trust

#### We help companies to:

- Understand their Trust challenges and opportunities
- Design solutions to reduce counterfeit and provide the consumer with tangible reasons to Trust
- Simply implement and measure the benefit of a Trust solution

#### To deliver real business benefits:

- Higher relative Trust
- Increased loyalty and retention
- Better business performance
- Less counterfeit

### P1 Authenticator Genuine DataTraceID 0 0 8 0 25 12 0 > Ready. SCAN1 OPTIONS SCAN2

Covert marking to identify and reduce incidences of counterfeit

#### For example:





App based authentication to assure consumer that product is authentic & drive engagement



Tamper evident solution to assure consumer that product has not been re-filled





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