



NO TO FAKE

The counterfeiting of cosmetics



Consumer guide

How you can learn more
to be better prepared.



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NO TO FAKE

When we talk about cosmetics, we are referring to substances and preparations other than medicines, intended for external use: on the skin, scalp, hair, nails, lips, external genitalia, teeth and lining of the mouth. Cosmetics can sanitise, perfume, change appearance, protect and preserve these areas in good condition, but they are not intended to have a therapeutic effect.

Medicines contain active substances with pharmacological value, and their use is reserved for medical practitioners. They are distributed and controlled by pharmacies. Cosmetics, on the contrary, do not have this type of pharmacological use, and can be freely sold.

Examples of cosmetic products:

- face powder, talcum powder used after a bath or for general hygiene etc.
- hair dyes
- creams, emulsions, lotions, gel and oils for the skin (hands, feet, face, etc.)
- deodorants and antiperspirants
- foundation (liquids, pastes or powders)
- face masks (except peels)
- bath and shower products (salts, foams, oils, gels etc.)
- hair treatments
- dental and oral hygiene products
- feminine hygiene products
- beauty products and nail varnishes
- depilation treatments
- shaving products (soaps, foams, lotions, etc.)
- perfumes, eau toilette and eau de Cologne
- toilet soaps, deodorant soaps etc.
- other make-up products

The creams we use on our faces and bodies, the shampoos and shower gels we wash our skin and hair with, the bars of soap we use to wash our hands several times a day, toothpaste and mouthwashes are all products which, if not manufactured legally, can harm our health. This risk factor is present whenever we use such a product – mostly on a daily basis.

Ingredients

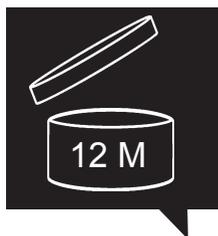
Before buying a cosmetic product, it is important to be familiar with the list of ingredients in the formula, and read it carefully.

In Italy, the manufacture and sale of cosmetics is governed by **Law no. 713 of 11/10/1986**, which disciplines aspects relating to the composition of such products, the presentation of labelling, packaging, and other requirements necessary for the production, sale or import of cosmetics.

Subsequently, **Legislative Decree 126/97**, enacting **European Directive 93/35/EC**, made it obligatory for the full list of ingredients to be indicated on all cosmetics packages. The substances contained in the product must be indicated on the label according to the International Nomenclature of Cosmetic Ingredients (INCI), introduced specifically for Europe, and applicable to all European countries.

The ingredients must be listed in descending order: those listed first are contained in larger quantities, while the others are listed in descending order, except for those below 1%, which can be indicated randomly. All plant extracts, butters, and oils must be indicated with the botanical name of the plant they come from. For other ingredients (fats, silicones, surfactants, salts, acid, emulsifiers and any other substance obtained by means of a chemical reaction), the English name is used. Everyday substances like water or honey are indicated with their Latin name.

To guarantee the safety of all cosmetics, the law stipulates restrictions on the use of certain substances: there are currently about 1400 banned substances, 250 authorised with limitations and restrictions, and approximately 200 for which a specific use is imposed. The banned substances include arsenic, chlorine, curare, mercury, nicotine, lead, radioactive substances, strychnine, chloroform, coal tars, numerous gases and hydrocarbons, pitch, and various types of paraffin. Substances like ammonia, oxygenated water or silver nitrate are permitted with precise instructions as to their use, concentration and warnings.



In 2005 **EU Directive 2003/15**, implemented in Italy with Legislative Decree 50/2005, introduced an obligation to state the PAO (Period after Opening) on the label.

This indicates the period of time for which a product can be conserved after opening. The directive also requires the label to indicate, among the other ingredients, 26 substances (used in perfumes, but also present in other ingredients in the form of extracts or vegetable oils) which can cause allergies in susceptible individuals.

Le 26 sostanze allergeniche (denominazione INCI)

Alpha-Isomethyl Ionone	Coumarin
Amyl cinnamal	Eugenol
Amylcinnamyl alcohol	Evernia furfuracea
Anise alcohol	Evernia prunastri
Benzyl alcohol	Farnesol
Benzyl benzoate	Geraniol
Benzyl cinnamate	Hexyl cinnamal
Benzyl salicylate	Hydroxyisohexyl 3-Cyclohexene carboxaldehyde
Butylphenyl Methylpropional	Hydroxycitronellal
Cinnamal	Isoeugenol
Cinnamyl alcohol	Limonene
Citral	Linalool
Citronellol	Methyl 2-Octynoate

Legal information

Consumers must be informed of their rights. Specifically, they must be aware that article 8 of the law on cosmetics (Law 713/86 as amended) stipulates that products or product packages sold in Italy must bear the following information, in a clear, legible form:

1. **the function** of the product;
2. **the company name** and headquarters of the manufacturer or importer based within the European Union;
3. **the country of origin**, if located outside of the European Union;
4. **the production batch**;
5. **the list of ingredients** according to the INCI nomenclature;
6. **where required by law**, any other instructions and intended applications which may be necessary with regard to the use and safety of the product. These instructions must be shown in Italian. If they are not stated on the label or pack, they may be included in illustrative leaflets accompanying the product, to which the consumer is directed by means of a special symbol in the form of an open book;
7. **PAO (Period after Opening)**, the product's shelf life after the pack is opened

Any product which does not contain this information on the label may be counterfeit, and could pose a risk to consumer health.



Allergies

The number of cases of contact allergy, which occurs when the skin comes into contact with an allergy-causing substance, has skyrocketed in recent years.

Cosmetics play an important role in this regard: contact allergy induced by substances contained in cosmetics amounted to 4% of the total in the 1980s. However, an increase of 8-15% was recently recorded, and this figure may be as high as 27%, depending on the circulation of the product.

In recent years, the Finance Police have often seized batches of illegal cosmetics (lipsticks, foundations, varnishes, eye pencils and powders), containing high concentrations of heavy metals such as nickel, lead, cobalt and most importantly chromium, to the extent that they can cause dermatitis and serious allergic reactions, even anaphylactic shock in some cases.

All the ingredients and substances used in branded cosmetics are of high quality, and are tested to minimise the risk of allergies. In counterfeit cosmetics, however, the use of low-cost ingredients and the absence of any accredited manufacturing sites, suitably-staffed laboratories or experts can lead to a very high risk of allergies and irritations among consumers. Frequently, counterfeit products do not even use antibacterial substances, because they are expensive: this means that once the package is opened, there is greater risk of the proliferation of skin-irritant germs. The preservatives, perfumes and colorants used in many counterfeit products are often alcohol-based, can irritate the skin, and can also facilitate the penetration of allergy-inducing substances, thus increasing the risk of allergies. In general, it should be remembered that by definition, an illegal product has been manufactured without any consideration whatsoever for safety or responsible use on the part of the manufacturer, who obviously makes sure that he cannot be traced.

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The market

In 2011, the Italian cosmetics industry was worth Euro 9.6 million, representing an increase, albeit slight (+1%) compared to the previous year (Source: Unipro). This demonstrates the fact that even during a period of economic crisis such as the present time, consumers still choose to buy cosmetics. **The growth in the cosmetics market has gone hand-in-hand with an increase in counterfeiting, which some associations have quantified as a rise of at least 264% from one year to the next.**

The counterfeiting of cosmetics therefore represents a loss of profits for the proprietors of the counterfeited brands, and therefore reduced investments on their part. This means loss of jobs, incentives for illegal employment, and an increase in pollution, not to mention the serious damage caused to consumer health.





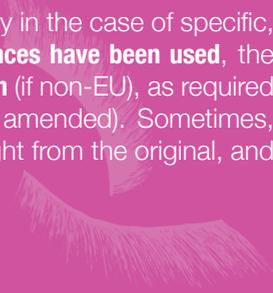
Toolkit

Recognising a counterfeit cosmetic product is not always easy. Below, we provide you with a **GUIDE** to buying **safe cosmetics**:

1. Buy cosmetics through safe channels, in other words, from authorised retailers such as perfumeries, supermarkets, pharmacies and specialised stores, paying particular attention to products sold on **market stalls** or **online**. One of the serious issues concerning cosmetics sold by travelling salesmen on the street is due to the fact that the products they sell are cut-price warehouse stocks of original products marketed years earlier, which have often been kept very badly (exposed to the heat, etc). This can cause the product to deteriorate, so that when it reaches the consumer its properties have altered and it can be harmful, causing allergic reactions or intoxication;

2. Avoid cosmetics which appear to bear the name of a famous brand but have a **low price**: they are probably **counterfeit**. The value for money of a counterfeit cosmetic product is certainly inferior when it comes to quality: the cost of a counterfeit product can be cut by as much as 80% compared to the price of the original. The initial cost saving is only superficial, as the damage caused to the consumer's health and safety sometimes requires a large outlay in terms of medical treatment and specialist examinations;

3. Check and read the label or pack carefully, especially in the case of specific, known allergies. The label must always state which **substances have been used**, the name of the manufacturer or importer, and **the country of origin** (if non-EU), as required under article 8 of the law on cosmetics (Law 713/86, as amended). Sometimes, however, the counterfeit product's packaging is copied straight from the original, and it is not easy to tell the difference.



Fragrances

The phenomenon of counterfeiting and illegal selling is also becoming increasingly widespread throughout the fragrance industry: it is becoming more and more common to see stalls set up by travelling salesmen, selling counterfeit packages of famous-brand perfumes.

However, many consumers are unaware that before a big name can license the sale of its products to another retailer or marketer, a series of checks must be carried out:

- **retail zone** (mid-range/medium-high/high-end);
- **competing manufacturers** of equal importance;
- the number of **shop windows**;
- **interior styling** (quality of the shop's outfitting), how and where the product is displayed;
- **total sales** of the licensed product.

If all these requirements are met, the sales licence is granted.

This means that if a branded fragrance is sold by a travelling salesman, it is either because the products are stolen goods, or have been illegally bought from disreputable dealers or warehouses, or that they are counterfeits.



When we talk about the counterfeiting of products like perfumes, we are mostly dealing with counterfeits or imitations of a well-known brands, as it is very difficult to counterfeit the exact form and quality of an essence. The essences of the world's best-known brands are mostly created by international companies whose code of conduct prevents them from producing the same composition or imitation for two different customers or brands. Manufacturing perfumes is a difficult, complex job, involving the preparation and selection of raw materials of a quality which is not always easy to source or reproduce.

The basic characteristics you need to take into account when buying an original fragrance are:

- **The head note:** this is the first impact a perfume has on the nose;
- **The heart note:** this is how the essence is smelt on the skin, a factor which can change depending on pH;
- **The base note:** this is the persistence of a fragrance, which lingers on the skin after the heart note has evaporated.





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The Ministry for Economic Development, consumers' associations and industry operators have joined forces to face an essential challenge that involves each one of us. Meetings, workshops, awareness-raising campaigns addressed to consumers and business people, a network of contact centres and instruments to help consumers and receive reports from the public. So we can say, together: "No to fake".

You can report cases of counterfeiting or request information from:

The Anti-Counterfeiting Call Center +39 06.47055800 except Saturdays and public holidays

Anti-Counterfeiting Fax line +39 06.47055750

E-mail: anticontraffazione@sviluppoeconomico.gov.it

www.sviluppoeconomico.gov.it

Ministry for Economic Development

Directorate-General for the fight against counterfeiting

Italian Patent and Trademark Office

Via Molise, 19 - 00187 Rome

www.uibm.gov.it