



**Making Counterfeiting Unprofitable®**

WITH SOLUTIONS THAT PROTECT CONSUMERS AND INCREASE SALES

## **OVER 4,600 KENYAN FARMERS USE MOBILE PHONES TO AVOID COUNTERFEIT PRODUCTS**

Agri-business client now has direct connection to farmers across the country



When a leading agri-business company in East Africa learned that their products were being counterfeited, they sought out a smart, but effective solution to help their farmers avoid knockoffs: the mobile phone.

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An esteemed East African agri-business company faced a significant threat: fake versions of their trusted products not only hurt the reputation that took years to build, it was conning their farmers into buying falsified, substandard knockoffs that could negatively impact their crops. For farmers whose livelihoods depend on the use of genuine and safe agri-business goods, using a falsified product could be the difference between a successful season and a barren field. Of all those impacted, farmers had the most to lose from buying a fake product.

Meanwhile, people in Kenya, including farmers, were increasingly using mobile phones as their primary means of communication. It was clear that a solution that could be accessed by any mobile phone would be the best way to help farmers differentiate between genuine products and their fake counterparts. Thus, to protect their farmers and their brand, the company chose Africa's first and most widely used mobile-based product verification for consumers: Sproxil's Mobile Product Authentication™ (MPA™) technology.

The MPA service is simple and works at point of sale: as the farmer is buying a product, she will find a security label with a scratch off panel that, when removed, reveals a unique, single use code. When she texts the code to Sproxil's local phone number, she will instantly receive a response verifying that the product is manufactured by the same agri-business company as stated on the label. Alternatively, the farmer can call Sproxil's local call center, use any of its native mobile apps (available by iOS, Android, and Blackberry), or verify at [Sproxil.com/verify](http://Sproxil.com/verify).



### Mobile Phone Popularity In Kenya

Kenya's mobile device sector has seen significant growth over the years. Mobile device subscriptions have jumped from just over 10,000 subscribers in 1998 to about 26.2 million in 2011, with an estimated 70% of Kenyans owning mobile devices. Africa is the second largest mobile market in the world.\* Increased mobile device usage by farmers is coupled with Kenya's Vision 2030 development strategy, emphasizing increased agricultural production, especially in coffee and tea exports.



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Within months, over 4,600 farmers verified their products with MPA. With thousands of farmers already using the award-winning technology, the service is gaining unprecedented popularity in the face of widespread counterfeit agri-business products. Using Sproxil's MPA, any farmer can now easily verify that a product is genuine using their mobile device, even while in the field.

### Leveraging the Direct Brand Connection

When a farmer verifies a product, they create a direct connection to the agri-business company. Through that channel, the company can communicate important product and brand information, send out impact surveys, and even reward loyal customers.

As a part of MPA's value added services (VAS), agri-business companies can access a variety of loyalty program solutions to further incentivize the verification service, including an initiative that provides free airtime credits each time that a farmer verifies a product is genuine using their mobile device. The company can also run raffles and sweepstakes, and set up customized points-based loyalty programs.

### The Danger of Fake Agri-Business Products

Counterfeiting continues to plague the agri-business market as manufacturers create new products and introduce different formulations. Counterfeit agri-business products can not only ruin crops, leading to a tremendous loss in revenue for the farmer, but it can also ruin the farmer's reputation, making future business difficult. There are estimates that approximately \$4 billion is lost to illegal products annually, which is approximately 10% of global agribusiness sales. \*\*

Illegally operating businesses, by their nature, do not need to meet any regulatory standards. Products can contain harmless fillers or deadly poisons that may be very dangerous if consumed. Thus, in addition to the economic impact, counterfeit products can have a significant threat to human health and safety, and can produce hazardous environmental concerns and adversely impact the global food supply.



#### Sources:

\*GSMA, an association of mobile operators and related companies devoted to supporting the standardizing, deployment, and promotion of the GSM mobile telephone system

\*\*<http://www.farmchemicalsinternational.com/markets/counterfeit-pesticides-stifle-industry-growth/>