

Channel to Print Vendors: Make Labels Clearer to Halt Illegal Toner Trade *CONTEXT ChannelWatch report reveals what the channel really thinks about counterfeit toner challenge*

London, 1st August 2016 - European channel players believe print manufacturers could do “a lot more” to stop counterfeit toner cartridges flooding the market, primarily through clearer labelling, according to the latest ChannelWatch report from CONTEXT.

The market analyst’s latest in-depth report is compiled from interviews with over 2,000 business owners and senior managers from key channel businesses across Western Europe including resellers, vendors, retailers and distributors.

When asked who they thought could do the most to stop the growing problem of illegal printer consumables in the region, a clear majority (55%) claimed print vendors could do “a lot more”, although some claimed the channel (37%) and government (35%) could do the same.

When it came to government, however, a large number of respondents (30%) claimed they “don’t know” what role it should take.

The problem as the channel sees it lies in the packaging of illegal toner cartridges.

Clear labelling (73%) for legal remanufactured and compatibles products was called out as the best solution to the counterfeit problem. However, half of respondents also thought that better awareness campaigns from vendors would help.

Over half (58%) of resellers told CONTEXT it would be easy for them to spot counterfeits, but just 15% of them said they thought it would be simple for their customers.

“Illegal print consumables manufacturers are able to undercut OEMs and legitimate third-party producers because they don’t bear the same R&D, logistics and other costs,” said Zivile Brazdziunaite, Imaging Market Analyst at CONTEXT.

“This is not only eating into the market share of OEMs and third-party manufacturers – and damaging customer trust in brands and intellectual property rights – but can also backfire for the customer, as the end product is often inferior and can result in poor quality prints, reduced page yields, voided hardware warranties and even damage to the printer itself.”

Some major print vendors are taking the initiative, raising public awareness, training channel partners, monitoring sales via distribution channels, and most importantly – seizing counterfeit goods and taking their manufacturers and resellers to court.

HP Inc. seized more than 12 million items and enforced over 1800 actions across the EMEA between 2011 and 2015, while Kyocera [seized €10m worth of counterfeit goods](#) in FY 2015. But between just April and May this year Kyocera reported the capture of goods worth over €5m – an indication of the escalating scale of the problem.

Some vendors have also responded with secure holographic seals, serial numbers and other innovative features to help distinguish genuine from counterfeit products.

About CONTEXT

Headquartered in London with approximately 250 staff across the world, CONTEXT specialises in tracking technology sales and pricing globally. Supported by the largest Distribution Channel Database in the world and coupled with our extensive experience in managing and reporting on large data sets, we provide the highest quality data that has been helping our clients make business-critical decisions for over 30 years. CONTEXT also works with Government Statistical Services and key Trade Associations globally.

About ChannelWatch

CONTEXT ChannelWatch is an online reseller survey conducted across the globe, providing detailed insight into reseller behaviour, opinions and attitudes. Leveraging its Distribution panel, CONTEXT achieves the best possible response rate in each country by inviting its partners to send out survey invitations to their entire reseller database.

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