

## Sandvik brand protection initiative for Compax® wire dies

It has come to the attention of Sandvik through various sources that there are many pirated industrial products made at other sources being sold as Sandvik products. Unfortunately, Sandvik is not alone; some disturbing statistics illustrate the growing problem:

- The value of Global Trade in Counterfeit and Pirated Goods in 2015 was projected to be \$1.77 Trillion (over 2% of the world's total current economic output.) \*
- As of 2012, the cost of lost tax revenue and additional government spending due to counterfeit goods was \$125 billion in developed countries alone. \*
- As of 2012, an estimated 2.5 million jobs have been lost as a result of fake products. In 2007, an estimated 750,000 jobs had been lost in the U.S. alone due to counterfeiting. \*
- Counterfeit products worldwide are currently estimated to cause from \$500 to \$700 billion in economic losses to legitimate companies annually. \*\*
- As an example of the dangerous counterfeiting of industrial, component and spare parts, European Customs authorities estimated an 86% increase from 2012 to 2013 in seized counterfeit spare parts for vehicles. \*\*

\* International Chamber of Commerce / BASCAP, Estimating the Global Economic and Social Impacts of Counterfeiting and Piracy. Projections based on annual seizures of Counterfeit Goods.

\*\* World Trademark Review "Anti-counterfeiting 2015 – A Global Guide"

Committed to responding to this serious problem, Sandvik has engaged Certilogo, a global leader in brand protection solutions, to provide customers with a reliable process for verifying the quality and authenticity of the products that Sandvik manufactures and sells worldwide. Sandvik will roll-out this program first with its Compax® Diamond Wire Dies brand, utilizing Certilogo's proven system of coding and tagging every individual item produced and shipped, with the potential to track its dies throughout supply and distribution chains.

**All Compax® is Polycrystalline Diamond, but not all Polycrystalline Diamond is Compax®**  
Compax® refers to the Polycrystalline Diamond manufactured by Sandvik. Die blanks used in the wire drawing industry are made from Compax®. Compax® is one of the leading brands in the industry and is rated as a premium product in the wire drawing industry. The unique material properties provide very good abrasion resistance and the ability to achieve quality surface finish.

### Brand Protection Program and Certilogo

The program consists of providing Sandvik Hyperion's customer, a wire die maker, with a brand protection sticker that has a unique CLG number and a scannable QR Code with each product. This wire die maker will then ship these stickers along with the wire dies to wire producers, who in turn will be able to scan the code provided with each Compax® die, login to Certilogo website or smartphone app and instantly check the authenticity of the product.

With this program in place, wire manufacturers can be absolutely sure they are receiving dies with top quality Compax® inside made by Sandvik.  
Look out for this label in your next Compax® purchase.

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#### About Certilogo:

With over 50 client brands in its brand protection network, Certilogo is one of the world's leading authentication solutions. Already used by almost 1,000,000 consumers from over 100 countries, the platform has tagged over 80 million product items, and has identified thousands of fake sellers and products, enabling brand protection managers to recover revenues more quickly and efficiently.

The Certilogo authentication app also captures user, product, geography and market data, and its powerful analytics tools provide clear and comprehensive reporting on counterfeiting, supply chain issues, parallel markets and consumer profiles, enabling Sandvik to better serve its markets, engage and interact with its customers, and protect its brands and products.