

# THE COUNTERFEIT SIDE OF CONSIGNMENT

Consignment stores are best known for providing their customers with designer labels at a lower price. But what if counterfeit product is sold as authentic? How is all consignment affected and will the buyers' faith fade?

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Downtown Toronto is secretly covered in consignment stores filled with handoffs from Holt Renfrew's best shoppers. The most popular stores are those that make the biggest impact upon entrance, and the ones with the most visible labels. A close second lies in how current the product is; no one is interested in pointy-toed Jimmy Choo mules circa 1996. And of course, price is always an object in consignment. Having a knowledgeable staff that knows the items' specific seasons and past values is what will seal that sell.

There is a particular downtown consignment store that seems to have it all. On first glance the designer cyc-candy is almost overwhelming. There are racks of past and current "must-haves", as well as the classically coveted like Chanel and Prada. And the store's main selling point: an involved and oh-so-convincing staff. Although in this case, the old

consignment adage applies: "If it looks too good to be true, it probably is." On closer inspection, a Louis Vuitton monogram is cut in two on the bottom half of a Speedy. (For future reference, authentic Louis Vuitton Speedy bags use a single piece of leather and should have no cut marks, thus one side has an upside down monogram.) There is also a Burberry tag glued onto a sad looking Novacheck scarf, and upon examination by a worker: an entire pile of these counterfeit scarves, each wrapped in plastic in the back room. Unlike the faux-brands sold in nearby China town, the products in this store are not a bargain; they are being sold as authentic. Customers who have purchased counterfeit items from the store have come back to complain, but are chastised out and not one has fought any further.

Canada does have anti-counterfeiting laws that the RCMP investigates, but the focus is on large-scale situations

regarding manufacturers or wholesalers while small vendors go unregulated. According to the Canadian Anti-Counterfeiting Laws & Practice, the RCMP does not have the resources to look into "street-level" counterfeiters." In the States, luxury brands like Tiffany & Co. and Coach have had success particularly in eBay cases of ceasing copies of their items, because more focus has been put on the brands' responsibility.

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M.J. Priest is the editor-in-chief at EthicalStyle.com, which is dedicated to educating consumers about fashion ethics so that they may make decisions for themselves, "to create a closet that matches your personalized fashion sense as well as your conscience." Recently, M.J. blogged about a crackdown on counterfeit goods at a flea market in Chicago, where the sellers were arrested, "The news is somewhat surprising because law-enforcement agencies tend to focus on efforts to smuggle the goods into the U.S., not on the individuals who sell the items on the street." The success brands have had in eBay lawsuits has extended to the streets, in this specific case Tiffany and Co., Coach, Louis Vuitton, Gucci, Prada, and Dooney & Bourke all took responsibility.

"Luxury brands are starting to become more involved in the point-of-sale of counterfeit goods, not just in the smuggling of the products," says M.J., but that does not mean customers have no options. "The sale of counterfeits is already illegal so it really comes down to enforcement. If consumers have proof that a store is engaged in a criminal enterprise, they should contact their local police."

With cracking down on the seller happening in the U.S., it can't be long before these stricter laws reach Canada. So what happens to all the beloved consignment stores in the city doing it right? Janet Han, owner of Fashionably Yours is aware of counterfeit products making their way

into consignment stores, "There are grade A fakes out there, sometimes they slip under the radar." But Janet wants her customers to feel safe and secure when shopping the consigned items in her store, so she has a return policy that protects against those "grade A" fakes. "My store has no time restraint in the return policy. If your bag is one of the fakes that slipped under my nose you can return it whenever." And Janet truly does mean whenever. "I'm serious, 10 years later, come see me."

Meytal Algranti owns Labels or Love, a consignment store by Yonge and Bloor, and due to her proximity to the city's biggest labels she has to have strict rules when it comes to consignment sellers. "Everyone knows that counterfeit is a huge issue when you own or shop at a consignment store, but if I even suspect it to be fake, I won't accept it."

Although seasoned consignment store owners know how to deal with the issues that arise from counterfeit product, the new focus on catching those involved at the "point-of-sale" brings light to the issue for the consumer, which could mean fewer shoppers for all consignment stores. For now, it's up to the owner to focus on keeping their customer protected and according to M.J. Priest, the best way to do that is education. "You have to educate yourself about what to look for in used luxury goods [...] authenticity papers, and even serial numbers can be faked, protect yourself and your consumer." ■

## WHISTLE BLOWERS

What's the right route to take for people working in retail when they're put in unethical situations?

In the retail industry, associates come across different types of management, some of which can test your stance between right and wrong. If the management you're working under is performing illegal activities, is it your responsibility to speak up and express yourself, or to sit back and watch it happen? It's a battle for those working in the fashion industry because it's a small world, and it's important to take these relationships into consideration when you're making these decisions. Ask yourself if this is someone you really want to work for. Before quitting a job or internship, get an opinion of someone else working in the industry for advice on which way is the most suitable for leaving. Don't make up a different excuse for leaving; instead try to leave it on friendly terms. Do your best to be honest with the manager about the issue and express what you think is wrong, and listen to what they have to say. This suggestion could end positively or negatively depending on how the manager reacts. In most cases people in charge won't listen because you are just a sales associate or intern, and that your voice doesn't matter. It is a risk to take but trying to ending things on a brighter note could essentially help you in the future if you happen to cross paths again.