

### QUESTION: Are you profiting off someone else's intellectual property?

Selling trending products can be profitable for new small businesses. However, be mindful when purchasing wholesale priced merchandise from online, social media and marketplace sources. While it's tempting to "buy low and resell high", realize that extremely low priced bulk items run the risk of being counterfeit. The origins of these "deals" can often be traced back to cute sketchy pop up websites, social media marketplaces and ultimately to notorious overseas sources like alibaba, aliexpress or DHGate.

Counterfeits are illegal and brand owners have the right to protect their intellectual property via lawsuits. Flea markets and private individuals have been held liable by several brand owners (e.g. UGG, Coach, Louis Vuitton, PopSocket, OtterBox).

Research is ongoing as we attempt to stay current on trending, vulnerable merchandise. As new information becomes available, our guidelines and decisions may change regarding allowable items at our flea market. We are not lawyers. This is not legal advice. Images shown for purposes of education and discussion and belong to brand IP owners. We are not affiliated with these brands, but monitor trending products. We are sharing our knowledge and continue to study news, trends, attend classes and consult with lawyers on IP law.

Before you purchase bulk items for resale:

RESEARCH THESE TERMS

ASK THESE QUESTIONS

- WHO IS ORIGINAL BRAND OWNER?
- WHO OWNS THE TRADEMARK, COPYRIGHT, PATENT, LICENSE?
- AUTHENTIC?
- COPIED?
- COUNTERFEIT?
- CONFUSINGLY SIMILAR?
- ALTERED LOGO?
- IS PRICE TOO GOOD TO BE TRUE?
- WHAT IS THE QUALITY OF THE ITEM?
- SOURCE: WHOLESALER, MARKETPLACE, GUY or SOCIAL MEDIA SELLER?
  - is seller authorized or licensed to wholesale these items?
- POPULAR, TRENDING, HARD TO FIND CHARACTERS OR ITEMS?
- PRODUCT MARKS & TAGS
  - Are there sewn or printed tags, stamps, registration marks on item?
  - Or is it blank? Likely a fake.
- PACKAGING
  - Does it contain proper information - bar code, company name, address, etc.
  - Are there misspellings or grammar mistakes on package?
  - Or is it in a "blank bag" with no information? Likely a fake.

• **Who is authorized to sell wholesale branded products? Likely not the website you found.**



**Bust for fake Apple Products. Photo ICE.GOV**

See example on right of a listing for a wholesale counterfeit trending plush toy that retails for \$36. Note grammatical errors and too good to be true, unrealistic price of only \$0.99.

**"20cm [REDACTED] Plush Toys Cute [REDACTED] Movie KT Cat peluche Dolls Soft Stuffed kawaii [REDACTED] Toy Baby Christmas Gift ... \$0.99"**