Interview with Ashley Gomez of Et Al Beauty

Nevada-based non-surgical beauty enhancement brand Et Al Beauty is one of 20 SMEs that joined the <u>SME Advisory Committee (SAC)</u>, established by Alibaba Anti-Counterfeiting Alliance (AACA) a year ago.

Alizila recently spoke with Ashley Gomez, co-owner of Et Al Beauty and daughter of the company's founder, to better understand the impact of counterfeiting activities on small family-run businesses.

1) Why did you join AACA's SAC?

We joined AACA's SAC because, as owners of an SME and consumers of products produced by other SMEs, we have been and continue to be directly impacted by the manufacturing and sale of illegal counterfeits. We value and understand the importance of the work Alibaba is doing to aid SMEs and protect consumers from the destructive impact of counterfeits. While other platforms are seemingly turning a blind-eye to this pervasive problem, Alibaba is moving the industry forward and bringing SMEs with it by giving small companies, like ours, a voice.

Our company, Et Al Beauty, is a small family-owned and operated business based in Nevada. The flagship product, Fullips, is a patented self-suction lip plumper that my mother (Linda Gomez, Founder & CEO) invented and manufactured in the U.S. The excitement of Fullips' initial success was quickly replaced by the realization my mother's patented invention had been counterfeited. Like many other SMEs, we didn't have the resources or knowledge to enforce the IP my mom worked so hard to obtain; we simply weren't prepared for this unforeseen fight. Throughout the last year, the SAC has continued to provide education and tools we have been able to utilize in an effort to protect our brand and our family's company.

2) Tell us more about your experience of collaborating with Alibaba on IP protection.

The best way I can describe collaborating with Alibaba on IP protection is that participating in the SAC is a mutually-beneficial educational experience. The AACA created a forum where SMEs can communicate with each other and directly with Alibaba. The AACA is actively participating and seeking feedback from the SAC members to better understand what further actions it can take to help SMEs on a larger scale. Simultaneously, the AACA is educating its members on IP enforcement, introducing third-party resources, discussing cost-effective approaches to investigations, outlining best practices, and providing instruction to better utilize Alibaba's anti-counterfeiting measures already in place.

The SAC is led by an amazing team, including Daniel Dougherty (Senior Director, IP) and Xinghao Wang (Director, Global IP Enforcement). Their contribution of time and expertise on the subject matter to the SAC is invaluable. Mr. Dougherty and Mr. Wang understand that although faced with the common challenge of IP enforcement, each SME has different needs and structured the SAC accordingly.

First, they undertook the time intensive task of meeting with the SAC members individually to seek feedback and assess the varying issues and goals of the respective members. From there, they organized the participating members into working groups based on mutual interests and needs. This effectively created multiple forums for similarly-situated SMEs to collaborate, share ideas, pool resources, discuss problems, and define targeted initiatives to work towards with the help of

the AACA. This method produced a variety of initiatives that can benefit SMEs on a broader scale, outside of the SAC members.

3) What did you learn through participating in SAC? How has SAC helped SMEs like yourself with IP protection?

Education and access to resources are two of the SAC's key initiatives. The AACA SAC started a series of educational workshops that address common questions raised by SAC members, for example IP protection in China. Alibaba is actively extending the invitation to attend these workshops to other anti-counterfeiting groups in multiple countries in an effort to reach an expansive group of SMEs.

Notably, the AACA is sensitive to the fact SMEs have varying levels of experience in IP enforcement. The first presentation I attended as a SAC member focused on the basic principles and procedures of IP enforcement on Alibaba platforms, specifically "take-downs". Later presentations introduced more complex enforcement efforts, such as offline investigations which are likely more applicable to more experienced SMEs with representatives in China. On that note, the AACA SAC is already discussing how to make the presentations even more beneficial by synthesizing the information into practical tips applicable to SMEs more generally.

4) Why is it important to have a committee that represents SMEs like your brand?

SMEs – small and medium enterprises – are aptly named. The majority of SMEs don't have the financial resources to hire lawyers, investigators, or other professionals to properly obtain and protect IP in both domestic and foreign markets. Some SMEs may not even know if, how or when they need to start taking efforts to do so. Further, SMEs don't have the ability to withstand the financial harm caused by the sale or even the presence of counterfeits. Counterfeits not only diminish SMEs' already limited profits but also harm the brand name, image and reputation.

Although individually small, together SMEs account for a large percentage of product producers on the market; they create jobs, produce import/export, purchase raw materials, etc. Simply put, harm to such a large majority of companies that cannot financially withstand such devastating impacts will, in turn, bring harm to the market overall.

SMEs need the AACA's knowledge, infrastructure and guidance to combat this global problem – the AACA SAC is working to bridge the gap in communication and provide a platform for continued collaboration.