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Stopping Unauthorized Online Sales and Product Diversion: A New Approach (White Paper)

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AUTHORED ARTICLE | 3.1.2016

Companies from many industries have long been contracting with distributors to sell products on an exclusive basis. As technology has evolved, however, it has become easier for anyone to sell products on the internet, and the diversion of products to unauthorized online sellers poses a serious threat to companies.

For authorized distributors, the proliferation of diverted products—often sold at prices that are significantly lower than those at which authorized distributors must charge—is frustrating and demoralizing. When authorized distributors see the high volume of unauthorized sellers and products available online, they begin to question the company's commitment to stopping unauthorized sales, leading to complaints, decreasing motivation, and even termination of their agreements with the company.

A company in this situation must not only deal with these issues with its distributor network, but it must also confront the facts that: 1) product diversion directly harms companies' bottom lines by reducing prices and diverting revenue, and 2) unauthorized sales also damage companies' brands and their reputation with customers.

In short, although the problem is obvious, the solution is not. Many companies are still struggling to identify effective tools to combat the problem of product diversion.

In our recently published white paper, entitled "[Stopping Unauthorized Online Sales and Product Diversion](#)," we have identified a new approach to handling unauthorized online sales, which integrates legal, technology and investigation-based techniques into a comprehensive system designed to efficiently and effectively stop unauthorized sales.

Download the whitepaper by clicking the hyperlink above.

For more information, contact Vorys' Illegal Online Seller Enforcement team at 877.545.6905. Read more about the practice at [services-648.html](#).