

# Protect Play: Secure 2026 Revenue & Stop the Fakes

Your guide to online threats, safety,  
and brand trust in the Toy Industry.





# The 2025 Surge in Unsafe Seizures

Toy counterfeiting has shifted from slow, predictable imitation to fast, trend-driven exploitation. Whatever children love most today becomes tomorrow's counterfeit and in 2025, that shift produced the sharpest escalation yet.

**A record-breaking time for dangerous fakes:**

**50M**

Counterfeit toys were seized across Europe through Operation LUDUS (2020–2025).

**760k**

Dangerous items intercepted every single month. LUDUS (2020–2025).

**24 Tonnes**

Unsafe products blocked by UK Border Force in 2025 alone. (UK Border Force)

# UKIPO

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*“Toy and character brands rely on trust. When counterfeiters copy your products, they damage that trust, reduce the quality and harm your reputation.*

*The best way to protect yourself is to be proactive: register trade marks for your brand names, characters and logos; protect the design of your products and packaging; and secure copyright for your artwork and style guides. Make sure your contracts clearly state who owns the IP and how it can be enforced.*

*If infringement occurs, act quickly - the IPO offers free guidance to help businesses understand their options. Strong, well-chosen IP rights give you the power and speed you need to protect consumers and safeguard your brand’s long-term value.”*

**Andy Cooke-Welling,**  
**Divisional Director of IP Enforcement**

UKIPO



# The Labubu Effect

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## A New Blueprint for Counterfeits



When a toy goes viral, a countdown begins. As legitimate inventory sells out, a dangerous "shadow market" emerges.

One trend dominated the Christmas 2025 period: fake Labubu dolls. Border Force seized almost 240,000 fakes making up 90% of all counterfeit toys stopped that year.

The 'Labubu Effect' is indicative of how criminal networks operate: act fast, exploit hype, fill the void, and disappear before enforcement catches up.

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### The 48-hour **hype window**

Counterfeiters are no longer slow-moving copycats; they are agile data-trackers. By monitoring real-time search spikes and stock-out alerts across global marketplaces, they **can mobilise within 48 hours of a toy beginning to trend.**

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### Flood the **gap**

When "Out of Stock" appears on an official site, counterfeiters flood the void. They use **hyper-accelerated production methods** that intentionally cut corners on safety and quality to meet demand at speed.

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### Exploit customers and leave **brands to manage the fall out**

When a fake toy breaks or causes harm, the frustrated customer rarely blames the anonymous marketplace seller, they blame the brand name on the box. **Brands are left to handle the reputational fallout.**

# A Word from the Experts

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*"The toy sector faces enormous challenges through copying, and anyone intent on infringing IP is likely to also cut corners with compliance. The forthcoming EU toy safety regulation changes will put far greater onus on traceability through digital product passports and new additions to safety standards. This can only be positive for the toy industry, safeguarding brand and design originality for those who respect IP and take the proper steps to comply with regulations."*

**Laura Newbold Breen**

CEO, ACID



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*"Today, unauthorised sellers are amongst the most persistent threats to toy brands. They dress toys with well-known IPs to exploit brand reputation for unfair commercial gain and undermine official licensees, particularly across Asian marketplaces."*

**Özgün Öztürk**

Legal IP Engineer at **SnapDragon**



# Trend-driven Counterfeit Wave

**The toy industry is the second most counterfeited globally. Counterfeiters act fast, exploit hype, fill the void, and disappear before enforcement catches up.**

The rise in popularity of viral collectables creates a perfect opening for counterfeiters. In what enforcement teams call the '48-hour hype window,' counterfeiters move faster than brands, flooding marketplaces during the critical gap before detection. Counterfeiters follow global demand cycles such as the Christmas shopping period and utilise global supply chains. The scale can be extraordinary and difficult to track.

## A growing safety crisis

With the escalating volume of counterfeit toys comes escalating risk. Findings from Operation LUDUS V (2025) revealed that **over 75% of seized toys failed critical safety tests**, often containing banned phthalates, lead, carcinogenic “forever chemicals” (PFAS), loose magnets, or low-quality batteries that can ignite or burn. **The IPO found that only 27% of toy buyers consider safety when purchasing toys and nearly half of parents who bought a counterfeit toy reported safety problems. (IPO)**

## Commercial impact

In the UK alone, seized fake Labubu dolls were valued at £3.3 million.

The toy sector now suffers the highest sales-loss ratio of any EU consumer industry at 8.7%, resulting in an estimated €1 billion in annual losses. ( Europol)

Counterfeit toys are no longer a marginal issue. They are a fast-moving, high-risk supply chain exploiting families, undermining legitimate brands, and putting children directly in harm's way.

# The Counterfeit Trap

## Genuine vs. Fake

To a consumer, price is the only difference. To a brand, the differences are a safety and liability nightmare.

Don't let your customers be misled, ensure they understand the true cost of counterfeit goods:

Feature	The Genuine Toy	The Counterfeit Trap
<b>Materials</b>	Food-grade, BPA-free, and PFAS-free plastics.	Banned chemicals (phthalates/lead) linked to cancer.
<b>Fastenings</b>	Child-proof battery compartments & reinforced seams.	Loose panels, exposed "button" batteries, and choking hazards.
<b>Safety Marks</b>	Verified UKCA/CE marks with traceable Digital Passports.	Falsified labels or deceptive marks with no traceability.
<b>Traceability</b>	Unique DPP QR Code linking to the EU digital registry.	Cloned QR Codes leading to "spoof" verification websites.
<b>Sensory</b>	High-fidelity artwork; neutral scent.	Toxic, chemical smells; stolen, pixelated packaging artwork.



# Strategy Playbook:

## 2026 Trends & Combat Strategies

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**The faster you act, the more revenue you protect.**

The existence of counterfeit products can severely damage a brand's reputation because the fakes often lack the quality of genuine items, leading to negative consumer experiences and safety hazards. Counterfeiters don't wait for brands to catch up.

A resilient proactive brand protection strategy covers these essentials: **detect early, enforce fast.**

# Threat patterns and how to spot them

Brand protection must detect early.



## The "Booth-to-Bot" Pipeline

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Bad actors now scrape high-res photography of trade show booths to create "pre-order" fake listings on Temu, Alibaba and social media platforms before you've even left the venue.

**Start monitoring listings the moment products debut.**



## Unauthorised Resellers

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Unapproved sellers rebrand generic toys with well-known IP and undercut official licensees, especially on Asian marketplaces.

**Authorise official licensees to enforce your brand's IP rights.**



## The "Out of Stock" Hijack

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If you're lucky enough to go viral and sell out, counterfeiters instantly fill the gap – dominating search results and capturing frustrated parents.

**Enable standby enforcement the moment inventory hits zero.**



## Introduction of Digital Product Passports

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2026 regulations bring mandatory Digital Product Passport QR codes, and counterfeiters are already cloning them to redirect parents to spoof verification sites.

**Monitor domains, fake QR redirects and verification pages.**

# Protect your future revenue

A clean marketplace is the foundation for growth. By enforcing your rights quickly, you stabilise prices and give retail partners the confidence to go all-in on your new launches.

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## Brand Protection & Revenue Recovery Checklist

- Clean Marketplaces Prior to Launch**

Audit and remove counterfeit "pre-order" listings before unveiling new lines. This ensures your paid ads drive demand directly to your official pages rather than to imposters.
- Re-channel Lost Revenue to Authorised Sellers**

Systematically take down unauthorised resellers to force customers back to official retail channels. Aim for a high removal rate (up to 98%) to ensure revenue stays within your ecosystem. ***“Know your resellers and keep the list up to date.”*** SnapDragon Brand Protection Specialist
- Optimise ROAS by Eliminating Keyword Squatters**

Identify and remove counterfeiters bidding on your brand keywords. This reduces your cost-per-click, eliminates wasted ad budget, and immediately strengthens your campaign performance.
- Audit the Post-Purchase Brand Experience**

Monitor complaint and return rates linked to fakes. By reducing the presence of inferior goods, you protect the brand experience, leading to higher conversion rates and fewer customer service headaches.
- Deploy AI-Driven Brand Protection Software**

Implement a tool to automate 24/7 monitoring and bulk takedowns. Tools like SnapDragon support online brand protection across marketplaces, social media, domains and app stores. They can also help with test purchases and takedowns.

*"Partnering with SnapDragon has enabled us to swiftly eliminate thousands of counterfeit listings through a creative, custom strategy that protects our brand, revenue, reputation, and consumer safety."*

## Itamar Cohen

CEO

**5.5k**

Copycat Listings Removed

**97%**

Success Rate



## The Challenge

ZIPIT, an international brand renowned for its unique one-long-zipper products, including the iconic Monster Pouch, faced significant online threats. The unparalleled originality of their products made them prime targets for infringers. Thousands of copycats saturated global online platforms such as Amazon, Alibaba, and Walmart with cheap and unsafe imitations, stealing their revenue and putting their young consumers at risk.

## The Solution

This is where SnapDragon and ZIPIT partnership began. Our expert team implemented a custom brand protection strategy, leveraging SnapDragon AI-powered software and ZIPIT's Intellectual Property (IP) rights to swiftly take down worldwide copycats.

**SnapDragon x ZIPIT:** Eliminated thousands of infringing listings globally by combining patent enforcement with "copyright in artwork" strategies to protect distinctive product shapes, even in regions without registered IP.

# Partner with us & protect the brands you represent

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Explore how you can white-label SnapDragon's enforcement and monitoring capabilities to strengthen your clients' brand protection programmes.

## Get In Touch



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