

FOR IMMEDIATE RELEASE

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Pending Release of "Queenpins" Movie Puts Coupon Industry on High Alert

ACP Members Increase Surveillance to Prevent Copycat Cases of Coupon Fraud

Drexel Hill, PA, Sept. 3, 2021 – In anticipation of the nationwide opening of "Queenpins" on Sept. 10 – a comedic Hollywood film inspired by one of the largest cases of coupon fraud in the country – the <u>Association of Coupon Professionals</u> (ACP) and its members will be closely monitoring program redemptions and increased calls to consumer affairs lines to ensure the movie doesn't inadvertently inspire copycat criminal activity.

As a first step, ACP is hosting a free webinar on Sept. 8 for retailers, manufacturers, coupon industry service providers and law enforcement called "<u>Coupon Fraud Is No Joke!</u>" Panelists will include retired Detective Sergeant David Lake (Phoenix Police Department), the case agent responsible for resolving the \$40 million coupon crime that inspired "Queenpins"; Kit Leonard, coupon risk mitigation consultant and President of Brand Technologies; Kimberly Lake, Chief Operations Officer at the Center for Shadow Economics; John Morgan, Executive Director ACP, Brandi Johnson, Chief Executive Officer of The Coupon Bureau and a United States Postal Inspector.

The valid redemption of coupons in some form resulted in consumers saving more than \$1 billion in 2020, per Inmar Intelligence. "Couponing" is ingrained in our culture, and it is imperative that those seeking discounts be hypervigilant to the legitimacy and legality of the coupons they are receiving.

"The release of 'Queenpins' confirms coupons' place in today's pop culture," added Morgan. "Unfortunately, a hobby this popular that involves financial gain is going to attract a criminal element. That's why the ACP is more vigilant than ever about coupon fraud. We want to discourage anyone who might be tempted to try to game the system by emphasizing that the likelihood of being caught and prosecuted is extremely high."

Charges can range from counterfeiting and forgery to money laundering, mail fraud, tax evasion and operating an illegal enterprise. Past perpetrators have faced conviction, fines, imprisonment and restitution. More recently, a Virginia man was sentenced to 87 months in Federal prison and ordered to pay \$31,000,000 in restitution, for his part in a counterfeit coupon scheme.

"Advances in technology have really helped mitigate coupon fraud in recent years, while also making it easier to identify and prosecute criminals engaging in this illegal activity," said Brandi Johnson, CEO of The Coupon Bureau (TCB). "With the new coupon standard supported by TCB and being rolled out nationally to retailers, all coupons are serialized, scanned, validated and captured at checkout, making it much easier to identify abuse and anomalies. It's just not worth the risk."

WHY SHOULD SHOPPERS CARE ABOUT COUPON FRAUD?

Counterfeit coupon fraud costs the industry and consumers tens of millions of dollars per year. While counterfeit losses and the administrative costs associated with monitoring them are ultimately paid for by the manufacturer, coupon fraud affects everyone. Such losses become a cost of doing business that results in higher shelf prices, fewer coupons overall, shorter redemption periods, stricter rules around usage and acceptance, longer checkout lines, and less available product due to stockpiling. According to victim impact statements filed in the United States District Court for the Easter District of Virginia by major household brands as part of the sentencing for the Virginia man, Consumer Packaged Goods (CPGs) companies' need to invest internal resources to develop and implement coupon governance programs designed to detect and prevent fraud. This takes the time of employees and systems that could otherwise be invested in more productive efforts to create value for customers. Criminal activities limit these companies' abilities to invest in discounts and rewards for consumers, thus impacting consumers financially as well.

"A general rule of thumb is that if an offer seems to be too good to be true, it probably is. That's especially true if you're being asked to buy a coupon. The only legitimate way to get a manufacturer coupon is directly from the company or through legally sanctioned channels such as the Sunday newspaper. If someone is buying coupons online, they are counterfeit or stolen property and violate the terms of use on the coupon" advised Morgan. "While 'Queenpins' is being marketed as a comedy, it's also very much a cautionary tale. Pay attention. We are."

Anyone working with an organization active in the coupon industry – whether manufacturer, retailer, service provider or law enforcement – can register for the free ACP webinar at <u>https://couponpros.org/</u>.

ABOUT ACP

The Association of Coupon Professionals helps manufacturers and retailers effectively execute coupon promotions and related incentive programs. To do so, it provides education and insights to effectively execute coupon promotions and related incentive programs from planning and creation through settlement. ACP also delivers resources to industry professionals on coupon guidelines, new trends, emerging technologies and best practices. For more information, visit <u>www.couponpros.org</u>.