



Universiteit
Leiden
The Netherlands

The phenomenon of wine counterfeiting in China and different dimensions of state-applied countermeasures

Janik, Adrianna Maria

Citation

Janik, A. M. (2025). *The phenomenon of wine counterfeiting in China and different dimensions of state-applied countermeasures*.

Version: Not Applicable (or Unknown)

License: [License to inclusion and publication of a Bachelor or Master Thesis, 2023](#)

Downloaded from: <https://hdl.handle.net/1887/4258250>

Note: To cite this publication please use the final published version (if applicable).

Chinese Studies MA

Faculty of Humanities, University of Leiden

**The phenomenon of wine counterfeiting in China
and different dimensions of state-applied
countermeasures**

Adrianna Janik

Student number: S400424

Course number: 60840

Leiden, 2025

Table of Contents

Introduction	4
Literature review	4
Methodology	7
I. Wine as a social, cultural and historical agent in China	9
1.1 An insight into China’s wine history	10
1.2 China’s wine Renaissance	13
1.3 Decline of Chinese wine interest	16
1.4 SWOT analysis: Chinese wine market	18
II. The phenomenon of wine counterfeiting	21
2.1 Wine forgery: definition & methods	21
2.2 Wine forgery: cases	25
III. Wine counterfeiting: Chinese characteristic of the phenomenon and the countermeasures	29
3.1 Factors facilitating wine counterfeiting in China	30
3.1.1. The profile of Chinese wine drinker	30
3.1.2. The role of Internet in wine counterfeiting in China	32
3.1.3. Chinese legal environment	35
3.2. Countermeasures	38
3.2.1 Countermeasures applied by the wine companies	38
3.2.2 Countermeasures applied by the state and their scope	41
Conclusions	50
Bibliography	53

Introduction. The objective of this paper is to provide an overview of the state of the wine counterfeiting phenomenon in China with the special emphasis on countermeasure methods. China has made great progress on the winemaking field, making its wine more competitive. With Chinese consumers manifesting more interest in wine and being eager to spend more, wine forgeries emerged in China like bamboo shoots after the spring rain. While existing literature has explored the economic and legal implications of counterfeit wine, little attention has been paid to the political dimensions of counter-counterfeiting efforts—particularly in the Chinese context. This thesis addresses this critical gap by posing the central research question: *Is there a political dimension of wine counterfeiting countermeasures in China? If yes, what is it?*

To unpack this, the study explores a set of interrelated sub-questions: What are the unique characteristics of wine counterfeiting in China? How do historical, cultural, and economic conditions contribute to the proliferation of counterfeit wine? Finally, what institutional actors are involved in the regulation and enforcement of anti-counterfeiting measures, and how do their interests align with broader political objectives? This paper contributes to better understanding of the phenomenon itself and the multiple implication it has in Chinese wine trade. It provides the broad insight into wine counterfeiting in China, taking into consideration the status that wine has in Chinese society, the causes and Chinese characteristic of the problem.

Literature review. Existing literature of counterfeiting embraces wide range of themes, often giving the attention to China as the cradle of counterfeiting goods, especially luxury products. While there has been much research on the global scale of wine counterfeiting phenomenon, often pointing out the significant Chinese presence in this aspect, few researchers have taken into consideration the countermeasures provided by the Chinese state itself and by the latest technologies available. In order to break the myth of wine as product that does not belong to

Chinese culture, the work of Gong Weiyong has been used. In his “A Historical Survey of Chinese Wine Culture”,¹ Gong presents how wine has penetrated various aspects of life throughout different historical periods in China. He profoundly analyses the social, political, cultural and economic function of wine in Chinese society. His work has been a great introduction to the significance of wine in China and in the region. This paper makes use of the resources from various countries, specially statistic data, that makes understanding of the current state of wine sector and observed trends easier. Here International Organization of Vine and Wine (OIV) bulletins were very helpful. The annual reports present the given year in a nutshell and give opportunity to spot the trends in wine industry not only in that year, but over longer periods if different reports compared. In preparing this research, I am indebted to numerous articles by Vino Joy News, Decanter.com, DecanterChina.com, which are invaluable source of information about the Chinese wine scene. The wine journalist circle holds that China’s growth in wine industry has led to emergence of many remarkable wines and wine experts. The latest counterfeiting scandals are uncovered too, however those are limited to the description of cases brought to public opinion’s attention only because of the successful police’s intervention. The lack of profound investigation on causes that wine counterfeiting in China has and the effort done to countermeasure it, is a serious weakness of those articles scrapped from online magazines mentioned above. The global prominent subjects of wine sector like the Wine & Spirit Education Trust (WSET) with its exclusive educational materials, Winewise platform and the figure of merited wine critic Robert Parker or Jancis Robinson were a good fundament of this paper too.

The paper is organized as follows. First chapter provides a historical background for wine making in China. The second chapter gives an insight into problem of wine counterfeiting

¹¹ Gong Weiyong, “A historical survey of Chinese wine culture”, Journal of Popular Culture; Vol. 27 no. 2, (1993)

in general. The last, third chapter, is an analysis of factors that facilitate emergence of wine forgeries in China and the possible method of fighting this phenomenon. It critically analyzes how the Chinese government employs anti-counterfeiting measures not merely as technical fixes but as instruments of political strategy, soft power projection, and governance innovation. It gives attention to the strengthening the nation's IP infrastructure. The work of Daniel C. Fleming "Counterfeiting in China"² provides the Western and Chinese interpretation of terms connected to the phenomenon in general, like "trademark", "copyrights", "patent". Some available works stress public health concerns with regard to danger of wine faking in China (see Anqi Shen, 2018). Though that shows how broad and complex the topic of wine counterfeiting is, it has concentrates on narrow angle of it, leaving the space for further research of undiscussed aspects of the problem. This paper aims understanding policies applied by Chinese government and their possible political motivation. The key to understand the scale of the phenomenon is the role that the Internet plays in modern Chinese society, especially the widely popular e-commerce. "Fake Reviews in Chinese E-Commerce: The Case of Wine" of Geoffrey Brink³ investigates the fake reviews influence on wine market in China, what is closely correlated to the core of this paper. G. Brink's findings has been significant since it provided support to the prevailing view that Chinese e-commerce is riddled with deceptive reviews. Given that in this paper focuses a lot on the role Internet plays in Chinese wine trade, it is vital to acknowledge, that one of the main basis of Chinese wine consumers purchase decisions may be fraudulent and misleading. The paper closes with analysis of state's countermeasures. Increasing academic attention into counterfeiting countermeasures have brought to light the use of latest technology like QR code or smart packaging (see Soon and Manning, 2019, Danese and Mocellin, 2021, Sandi, 2018). However, not many works explore

² Daniel C. Fleming „Counterfeiting in China”, East Asia Law Review, Vol. 10 No.2. (University of Pennsylvania, 2014)

³ Geoffrey Brink ,“Fake Reviews in Chinese E-Commerce The Case of Wine”, Tampere University of Applied Sciences, 2022

other than technological countermeasures. Leaving the legislative measures and the reasons of China's recent focus on countermeasures unexplored. Accordingly, this paper tries to contribute to reducing this gap and provide the reader with the broader and deeper understanding of the countermeasures gamut and their use as political tool.

Methodology. This thesis adopts a qualitative, interdisciplinary research approach, combining policy analysis, market research, and critical political economy to investigate the political dimension of wine counterfeiting and countermeasures in China. The research draws upon a wide range of primary and secondary sources to construct a multidimensional understanding of the issue. A core component of the methodology involves extensive analysis of statistical data related to the global and Chinese wine industries. This includes datasets on wine production, consumption, and e-commerce trends sourced from globally recognized authorities such as OIV and WSET. These sources provide foundational insight into the structural conditions that make the Chinese market particularly susceptible to counterfeiting. In addition, the study leverages critical commentary and evaluations from globally respected wine critics.

To understand industry-specific responses, the research incorporates private correspondence and insights from *Crurated*, a high-end wine platform established in direct response to the growing counterfeiting threat.

A significant part of the research involves the analysis of official documents, public policy announcements, and regulatory frameworks published by Chinese government bodies. These are systematically reviewed to map the evolution of countermeasures, identify institutional actors, and discern underlying political motives. To critically interpret these findings, the study also draws on a broad selection of academic literature, books, materials available only with subscriptions of wine-oriented e-learning platforms and case studies related to governance, intellectual property, luxury markets, and Chinese statecraft.

This thesis seeks to trace connections between the structure of the Chinese wine market, the causes and characteristics of counterfeiting, and the multifaceted strategies deployed by the state to combat it. Ultimately, this methodology enables a nuanced exploration of how wine counterfeiting countermeasures function not only as technical responses but also as tools of political strategy and regulatory narrative in contemporary China.

I

Wine as a social, cultural and historical agent

Since this paper focuses on wine counterfeiting phenomenon in China it is vital to be aware of the status, function and a role that this drink has in Chinese society. First, the instant connotation of wine with Western culture should be rejected, same as the myth of China being a new participant of wine making scene. Thus, the brief historical overview serves the annihilation of that common misconception. The history of wine in China has taken an interesting turn in XXIst century, knowing the details of it, helps to understand the multiple connections between the economic surge, demographic changes, technological progress and the growth of interest in wine. The rapid growth of Chinese interest in wine has fueled tightening of bonds between old players from wine industry (e.g. France) and newly emerged Chinese wine enthusiasts and sellers. This connection have brought big yet short optimism, as many sought rapid profit on deals made with wine-thirsty Chinese. It was short because the decline started with same high speed as the surge, what provoked exodus of many businessmen from both sides. In consequence, the breach in wine industry has been made and deepened later by various global trends which are going to be discussed further. In accordance with the principle *natura horret vacuum*,⁴ the void has been filled with wine forgers, as people did not suddenly stop drinking.⁵ Forgers gained the possibility to sell fake wines to the society, that has just started to embrace widely the Western concept of wine drinking. Thus, in order to navigate the complexities of the Chinese wine market, understanding its unique cultural dynamics, history and entrepreneurial spirit is crucial. This chapter provides SWOT analysis of China's wine

⁴ Traditionally attributed to Aristotle phrase meaning "nature abhors a vacuum", which states that empty spaces (vacuums) are unnatural and that surrounding materials would naturally fill any void. The use of this hypothetical principal has been later broadened on other fields, e.g. physics, philosophy, politics

⁵ Natalie Wang, "China's Wine Paradox: Boom, Bust, and What Now?", *Vino Joy News*, 29.11.2024, <https://vino-joy.com/2024/11/29/chinas-wine-paradox-boom-bust-and-what-now/>

market, what highlights the specific vulnerabilities and challenges in combating wine fraud in this context.

1.1. An insight into China's wine history

Starting point of China's wine history is hard to be indicated sharply. According to the legend, a brilliant man from Xia clan named Yi Di (仪狄)⁶ presented his wine to the king who poured it into his mouth contentedly. Estimated date of that events is XXIst century B.C., what would make Yi Di a first to brew mellow wine in China. Yet, this is nothing more than a fable, at least until some evidence of Xia Dynasty reign is found. Thus, looking for any wine's presence in historical records, Yi Di must be forgotten and replaced by something much more tangible - wine pots and containers. Those are old enough to endue China a title of wine making protoplast. This pottery has been created as early as 7000 years B.C. and have been credited to Cishan (磁山) culture.⁷ On the opposite site of China's map, in far Xinjiang (新疆), some other place reveals its long grape growing history. In the historic city of Niya (尼雅) archeologist Aurel Stein found there dozen of tablets covered in exquisite Chinese characters, Buddhist manuscripts, fabrics, ruins of houses and traces of various trees growing around those households.⁸ Among carefully designed rows of fruit trees, archeologists found trellis-carried vines too. In addition, later expeditions (Xinjiang Uyghur Autonomous Region Museum in 1959, China-Japan Cooperative Expedition 1988-1996)⁹ to that region discovered other - important for this work – relics, e.g. the fabric with grape ornament decorating a tomb, as well

⁶ He and other man called 杜康 Dikang were both mentioned in encyclopedia from Autumn and Spring Period (771–476 BC) - “世本” (“Book of Origins”) as the ones who invented wine

⁷ Garry W. Crawford, “Agricultural origins in North China pushed back to the Pleistocene–Holocene boundary”, *PNAS* Vol. 106, No. 18 (2009): 1

⁸ Aurel Stein, “On Ancient Central Asian Tracks”, (New York: Patheon Books, 1964): 58

⁹ Jimmy Smith, “WSET Diploma Revision: D3 Still Wines of the World – China”, Wine with Jimmy, <https://e-learningwine.winewithjimmy.com/>

as dry grapes in containers.¹⁰ Those findings proved that wine has been made in that region in 3rd to 1st century B.C.

Even though grapes were present and known for their features, grape wine remained in shadow of other alcoholic drinks. At the threshold of Modern Era, during Han Dynasty (206-220 B.C.) and Three Kingdoms (220 B.C. – 265 A.D.) consumption of grain alcohol was higher than the grape wine, however, it does not mean the wine-making practices have vanished.

The real popularity of wine starts during the Tang Dynasty (701 -762 A.C.) when this beverage gains a status of a valuable commodity. Merchants' caravans filled with exotic goods arrived to the Tang capital – Chang'an (长安)¹¹ where people of different religion and origin compounded a melting pot. On the vibrant streets of Chang'an countless banners of various wine shops could be spotted.¹² This accessibility of wine shows the necessity of being in the reach of common people's hands. These shops became a space for meeting among intellectuals. Because of those new dynamic social changes, winemaking has entered a truly glorious period, what wine praising poems reflect. Officials and poet gathering in the wine shops established a new wine drinking culture and spread that fashion among all social strata.

Was wine a poison or a cure in the eyes of Chinese society? In Traditional Chinese Medicine the context changes everything. Chinese medical wine has a long history, records date back to oracle bones from Shang and Zhou dynasty (about 2500 B.C.).¹³ Chinese people noticed the big power of wine so its active ingredients could be used to invigorate the spleen, stimulate blood circulation, combat body aches or even to beautify – as it moistens the skin.¹⁴ Li Shi-

¹⁰ Ibidem

¹¹ Modern day Xi'an (西安)

¹² Xue Pingshuan, "The merchants of Chang'an in the Sui and Tang dynasties", *Frontiers of History in China* Vol. 2, (2006): 57

¹³ Xia Xun-li, "History of Chinese Medicinal Wine", *Chinese Journal of Integrative Medicine* Vol. 19 No. 7 (2011): 1, DOI:10.1007/s11655-010-0799-7

¹⁴ Ibidem: 2

Zhen, a talented pharmacist from Ming Dynasty, describes various wine prescriptions in his *Compendium of Materia Medica* (“本草纲目”).

Wine, present at all royal courts in Chinese history, did continue to be quite popular also in the moment when China became a semi-colonial state. During the Opium War (1840 – 1842) Chinese officials continued drinking wine.¹⁵ However, the wine-brewing back then relied heavily on millet wine.¹⁶ The first grape wine winery *Changyu Pioneer Wine Co. Inc.* was founded in 1892 by Zhang Bishi in Yantai¹⁷ and has been producing wine throughout whole XXth century and it still does. During the Republican era some other, smaller wineries started to emerge. As Björn Kjellgren describes¹⁸ – communists’ victory enhanced wine making. The 156 most important industry projects in the first five-years plan of 1954 included the establishment of a new winery outside of the capital and vines were replanted in old vineyards from Xinjiang to many different regions. After disastrous Great Leap Forward project, the wine industry has reborn in 1980. During that time, the position of three wineries (*Dynasty, Great Wall, Changyu*) has been confirmed and remained dominant till today. Finally, early 80s witnessed the establishment of a simple but effective national wine standard.

1.2. China’s wine Renaissance

Although the wine history in China is so long and rich, it has not been popular until recently. In the early stages of China’s wine Renaissance, from the late 1990s to the early 2010s, imported wines were largely reserved for five-star hotels in major cities and drunk by the Western clients.¹⁹ With an emerging group of wealthy East Asian businessmen, wine became

¹⁵ Gong Weiyang, “A historical survey of Chinese wine culture”, *Journal of Popular Culture*; Vol. 27 No. 2, (1993): 71

¹⁶ *Ibidem*: 71

¹⁷ Official website of *Changyu Pioneer Wine*, <https://en.changyu.com.cn/category/xinwendongtai/>

¹⁸ Björn Kjellgren, “Drunken modernity: wine in China”, *Anthropology of Food: Wine and Globalization*, Vol. 3 No. 3, (2024): 6, <https://doi.org/10.4000/aof.249>

¹⁹ “The rise, growth, and collapse of the Chinese Wine Market: a parable of consumption explained by an importer”, *Gambero Rosso*, 13.12.2024, <https://www.gamberorossointernational.com/news/the-rise-growth-and-collapse-of-the-chinese-wine-market-a-parable-of-consumption-explained-by-an-importer/>

more popular.²⁰ The demand in whole region started to grow, with China being ahead of the curve. After 2010, the regulations of wine import facilitated the growing trend of wine drinking, attracting many sellers hoping to make great profit the trend had it peak in 2017.²¹ This rapid growth of interest in wine has unleashed a chain reaction, linking China with the most important wine regions in the world. The change in Chinese interest in wine included both: the growth and the decline, what has facilitated wine counterfeiting phenomenon in China.

Chinese investors not only got active in wine sales and auctions, but started to move into production directly, buying *château* and vineyards. On top of everything, with help of wine-making experts from abroad, China itself, became a major wine producer in East Asia. For instance, *Château Lafite Rothschild* decided to produce luxury wine in Shandong Province in China and the value of each bottle is placed around US\$300.²² Chinese wine made a big time on the international level, with wineries catching up with latest trends and advancement in wine making, Chinese society opening for the “foreign” trend of wine drinking and custom duty’s politics carried in way that favors wine drinking. Opening a headquarter of global organization of The Wine & Spirit Education Trust (WSET) in Hong Kong in 2016 was just the advent of the wine interest boom in China. This city with its colonial legacy, has developed the habit of drinking foreign alcohol in compliance with Western etiquette at the beginning of last century already. Hong Kong, with its crucial geographical location, became a hub for imported luxury goods, including wine. With the demand and consumer’s awareness growing, the withdrawal of wine duty in Hong Kong in 2008.²³ Today China has 26 wine regions, spread mostly in the northern part of the country.²⁴

²⁰ Ibidem

²¹ Ibidem

²² Ho Hang Kei ,“Twenty-first Century Wine Consumption Trends in East Asia : History, Luxury and Transformation”, *Journal of Cultural Analysis and Social Change*, Vol. 6 No. 2, (2021): 2, DOI:10.20897/jcasc/11450

²³ Ibidem: 2

²⁴ Li Dimei, „Chinese wine regions”, *Decanter China*, 2024, <https://www.decanterchina.com/en/regions/china/>

The revival of Chinese interest in wine started actually about 13 000 km from the country itself, in Bordeaux, France. France had imported wine to China through all last century and gained the group of Bordeaux wines' enthusiasts among the high class society there. French system of wine classification has modelled modern East Asian wine drinking. Investors have set an eye on a 1855 Bordeaux wine classification wineries.²⁵ Even though the document itself was not created with the goal of giving special status to those wineries, yet, this is exactly what has happened. Since then, the hierarchy has hardly changed and wineries listed in the classification from 1855 enjoy the unambiguous dominance.²⁶

Emerging class of rich Chinese businessmen needed tools to manifest their wealth. Thus, with different patterns to satisfy this need, using exclusive products and wine turned out to be a great tool to confirm one's high social status. Chinese sought imported wine to use it as an attribute of prestige in front of wealthy friends.²⁷

Taking it a step further, extremely rich Chinese businessmen started to purchase vineyards with picturesque *château*. The poor terroir didn't influence the great profit from repacking their wine produced in a vineyard bought for relatively low price, and later sell it to China with a label promising luxury and exclusivity. This gave Chinese a lot of control over wine trade game, they had right to rebrand, decide on price and distribution. The first Asian to purchase in Bordeaux was a Hong Kong billionaire Peter Kwok with his Haut-Brisson in Saint

²⁵ Ho Hang Kei, "Twenty-first Century Wine Consumption Trends in East Asia : History, Luxury and Transformation", *Journal of Cultural Analysis and Social Change*, Vol. 6 No. 2, (2021): 3, 10.20897/jcasc/11450

²⁶ Gregorie Croidieu, „An inconvenient truce: cultural domination and contention after the 1855 Médoc wine classification event", *Negotiating Values in the Creative Industries Fairs, Festivals and Competitive Events*, (Cambridge: Cambridge University Press, 2011): 294, <https://doi.org/10.1017/CBO9780511790393.013>

²⁷ See: Jinghong Zhang, "Rituals, discourses, and realities: Serious wine and tea tasting in contemporary China", *Journal of Consumer Culture*, Vol. 20 No. 4, (2020), 10.1177/1469540518773812 and Michael Thorpe, "The globalisation of the wine industry: new world, old world and China", *China Agricultural Economic Review*, Vol. 1 No. 3, (2009), <https://doi.org/10.1108/17561370910958873>

Emilion.²⁸ In 2008 Daisy Haiyan Cheng acquired the 60-hectare *Château Latour Laguen*.²⁹ She drew attention of newspapers, becoming an owner of a first Chinese-owned Bordeaux winery. Qu Naijie acquired 27 wineries in Bordeaux in just 4 years, starting in 2010.³⁰ Owning a winery became a fashion among extremely wealthy Chinese businessmen. Bordeaux witnessed wine properties passing to hands of tycoons like Pan Sutong, business moguls like Jack Ma or a famous movie star Zhao Wei setting her eye on Saint-Emillion appellations.³¹ Increased Chinese presence started to be noticed also in other world wine regions. In famous Australian Barossa Valley Chinese owned wineries made up to 10% of a total wineries number there.³² In 2013 the first Italian winery passed in the hands of Asian, Hong Kong billionaire Jet-Set bought a *Chianti Classico* property in Gallo Nero.³³ More than 100-year-old “Yantai Changyu Pioneer Wine”³⁴ made an investment in Chile purchasing *Viña Indómita*, *Santa Alicia* and *Dos Andes*.³⁵ Moving to the other continent, “China Perfect” has bought the wine cellar at well-known *Val de Vie Estate* in the heart of the Winelands, South Africa.³⁶

²⁸ Philippe Bernes-Lasserre, “Seven chateaux and counting: Chinese billionaire Peter Kwok is big in Bordeaux”, Phys.org, 04.05.2018, <https://phys.org/news/2018-05-chateaux-chinese-billionaire-big-bordeaux.html>

²⁹ Morris Cai, “How China’s First Bordeaux Purchase Went Sour?”, Vino Joy News, 04.11.2024, <https://vino-joy.com/2024/11/04/how-chinas-first-bordeaux-purchase-went-sour/>

³⁰ “Fall of a Chinese Wine Empire in Bordeaux. Chinese Investor’s Bordeaux Châteaux Confiscated in Corruption Probe”, Vinetur, 25.05.2024, <https://www.vinetur.com/en/2024052579764/fall-of-a-chinese-wine-empire-in-bordeaux.html>

³¹ China and Bordeaux Wine, The Complete Story, Current Situation Today”, The Wine Cellar Insider, <https://www.thewinecellarinsider.com/wine-topics/china-bordeaux-wine-complete-story-current-situation-today/>

³² “The world takes notice amid China’s wine renaissance”, CGTN, 23.08.2020, <https://newseu.cgtn.com/news/2020-08-23/The-world-takes-notice-amid-China-s-wine-renaissance-T98tqyLsK4/index.html>

³³ “Imprenditore cinese acquista (e’ la prima volta) nel Chianti Classico. La cessione riguarda Casa Nova, una tenuta agricola di Greve in (8 ettari di vigneti e case coloniche). L’acquirente e nel Jet-set di Hong Kong”, Wine News, 16.04.2013, https://winenews.it/impreditore-cinese-acquista-e-la-prima-volta-nel-chianti_318050/

³⁴ In 1892 Zhang Bishi (张弼士) established Changyu wine company in Yantai, Shandong

³⁵ Leonardo Cárdenas, “Changyu: el plan de la gigante china del vino en Chile”, LT Pulso 15.07.2023, <https://www.latercera.com/pulso/noticia/changyu-el-plan-de-la-gigante-china-del-vino-en-chile/KQIQZWQAKRGMPJGRBVPSLAPC4M/>

³⁶ “China’s First Investment in The South African Wine Industry Announced”, Hein on Wein, August 2.08.2013, <https://www.heinonwine.com/blog/chinas-first-investment-south-african-wine-industry-announced/>

1.3. Decline of Chinese wine interest

Chinese ownership of wineries was booming at the beginning of 2010s. The shopping spree brought destabilization, soon, the grape investments went “sour”. Chinese buyers suddenly lost interest in Bordeaux wine and wine in general. The situation was a result of couple of different factors clashing.

Firstly, 2009, the year that fuel Chinese buying machine, happened to be the vintage of the century. Everyone wanted to have its part from it, even before the single grape was picked! Robert Parker, an prominent wine critic, scored 29 wines with 100 points, setting a new record.³⁷ Soon, global market started to change and after that successful year, a decline came on the scene. Wines, once achieving skyrocket prices due to the massive hype, lost the value over years (e.g. *Lafite Rothschild* sold for \$1,600 in 2008, today on a market is worth \$650 per bottle³⁸). Remembering that the whole initial interest in Bordeaux was driven by the desire of quick and big profit, naturally, Chinese speculators started to have second thoughts about profitability of Bordeaux fine wines. The Hong Kong auction market was in recession too. These overlapped with another serious change, Robert Parker stepped back, so his critical reviews and ratings disappeared.³⁹

Global trends were not favorable either. Alcohol consumption started to decline, younger generation drinks less than parents. Healthy lifestyle started to be a trend that young people are eager to follow, renouncing drinking habits. The global pandemics of Covid-19 has just accelerated that process. Decreasing demand has dragged the wine production down. According to the International Organization of Wine and Vine, 2024 witnessed the smallest wine production since 1961, reaching 220 mhl (creating sharp contrast with apx. 290 mhl from pre-

³⁷ “China and Bordeaux Wine, The Complete Story, Current Situation Today”, The Wine Cellar Insider, <https://www.thewinecellarinsider.com/wine-topics/china-bordeaux-wine-complete-story-current-situation-today/>

³⁸ Ibidem

³⁹ Ibidem

covid 2018).⁴⁰ This accentuates the vulnerability of wine industry to many new variables, the one mentioned above, as well as the climate change, which grape growers suffer from. Vineyards received environmental stressors: water stress, heavy rainfall, storms and extreme weather anomalies. In 2017 wine production leader, France, reached its historically lowest production – 36,6 mhl.⁴¹ This situation is linked not only to climatic disruption but also wine yards abandoning, especially in the region of Bordeaux, Languedoc-Roussillon, and the Rhône Valley. Wine regions, from both Northern and Southern hemisphere manifest declining tendency. China following the trend with 7,8 mhl in 2019 dropping to 3,2 mhl in 2023.⁴² The first decade of XXIst century did not foreshadow run of events. Since 1961 global wine production was constantly growing. By the year 2000, the exported production had reached 25% of global production and more than 30% in 2010.⁴³ What is in sharp contrast with current tendencies. This reveals how unexpected and dynamic the change in XXIst was. The breakdown of wine industry and the exodus of investors gave a lot of room to other phenomenon. Wine counterfeiting is growing and soon it may turn out that forgers are the only ones being able to make profit from wine...⁴⁴

1.4. SWOT analysis: Chinese wine market

As XXIst century has witnessed the boom of wine industry in China, it is vital to understand the characteristics of wine market there. China not only manifests an interest in imported wine, but develops own production. Even though classified as “New New World”, Chinese themselves emphasize none of foregoing global categories represent Chinese winemaking well, hence the postulate of creating a new category of “Ancient World” is

⁴⁰ “World Wine Production Outlook OIV First Estimates”, International Organisation of Vine and Wine, (2024):2

⁴¹ Ibidem

⁴² Ibidem

⁴³ Angela Mariani, Eugenio Pomarici, Vasco Boatto, “The international wine trade: Recent trends and critical issues”, *Wine Economics and Policy* vol. 1(1), (2012): 1, <https://doi.org/10.1016/j.wep.2012.10.001>

⁴⁴ What has been suggested and profoundly explained by Maciej Okraszewski in “Czy na winie zarabiają już tylko oszusci (Działplanning#504)”, *Dział Zagraniczny*, YouTube video, 18:44, 24.10.2024, <https://www.youtube.com/watch?v=JHK8vH1hvao&t=544s>

emerging.⁴⁵ According to them, it would reflect the country's long yet forgotten history of grape growing and winemaking. Indeed, wine has been present there for many centuries already, but only lately the country has made an effort to restore that heritage. Nowadays, beside of respected foreign wine brands, there are some remarkable local players on the market. *Changyu*, *Dynasty* and *Great Wall* are three main domestic wine companies, beside there are many other notable, smaller producers like *Ao Yun* or *Grace*. Since the wine counterfeiting phenomenon stems from Chinese market, it seems useful to carry the analysis of wine reality in China, what allows to have a better insight into situation of both: customers and producers.

While China has withdrawn from “One-child policy” the population is expected to grow, what means bigger base of consumers. What's more, the society becomes more affluent and thus is more eager to spend money on products like wine. The size of country provides various environments and climate zones, what can be considered as another strength of that wine market. There is no phylloxera presence found, so the amount of pesticides used on grapes can be reduced. China has made some extraordinary progress in winemaking, which continues as even smaller producers have gained an international attention and awards, e.g. *Silver Heights*. Among strengths, the convenience of shopping seems to play a significant role. The emergence of e-commerce platforms and influencers gives customers easier access to the product itself and the source of knowledge on it. Beside online shopping, consumers can easily purchase wine in various convenience stores, supermarkets and Horeca. On the other hand, there are many weaknesses of wine market in China. The cultural preference to red wines determines the low level of wine styles available. The fact that land is owned by the government just enhances the homogeneity of agricultural practices and wine varieties reduction, also the full potential is not

⁴⁵ Steve Goodmand, Hua Lia, Hua Wang, Huanmei Lia, , Peter Van der Leed, Xuc Z., Alessio Fortunatoa, Yanga P., “The worlds of wine: Old, new and ancient”, *Wine Economics and Policy*, Vol. 7 No. 2, (2018): 181, <https://doi.org/10.1016/J.WEP.2018.10.002>

exploited as 90% of vineyards target table grape production only.⁴⁶ Along with environmental challenges, like extreme continental climate in most wine growing regions constitutes an great weakness (during winter the costly vines burring method must be applied). Furthermore, there are some legal limitations. Wine is categorized as industrial product (like luxury products, tobacco or alcohol), not an agricultural product, so it is subjected to so-called consumption tax.; 10 % extra tax.⁴⁷

When it comes to opportunities, the shift of preferences among younger generation is a positive trend. There is a growing demand for white & *rosé* wines, what could break the monotonous dry red wine trend.⁴⁸ In the age of globalization, China has started to participate actively on an international stage, creating bilateral bonds. Hence, travelling and the cultural exchange became possible. Young Chinese people are nowadays more exposed on foreign culture influence, e.g. after studying abroad they bring the foreign influence back to homeland. The problem of severe climate conditions changes into more mild climate area, so interestingly, global warming can be an opportunity for China's wine market in the future. On the other hand, there are many threats too. The ongoing urbanization⁴⁹ discourages young people from working in agriculture in periphery, they choose office job instead. Labor deficit, in conjunction with rising energy prices constitute a serious challenge for winemakers. In addition, China's unstable international position can be a source of strained relations leading to potential trade wars and barriers to entry.⁵⁰ Not to mention globally rising healthy lifestyle awareness that is a serious threat to whole wine industry, including China's.

⁴⁶ "China by Tony Yip – WSET Diploma Student", Tony Yip, 26.09.2022, Winewise educational video, 1:30:30, <https://lifelonglearning.winewise.online/resources/swot-analysis-wine-regions/module-2/china-by-tony-yip-wset-diploma-student-autumn-2022>

⁴⁷ „进口葡萄酒操作流程”, 招商投資促進局, (2015)

⁴⁸ "China by Tony Yip – WSET Diploma Student", Tony Yip, 26.09.2022, Winewise educational video, 1:30:30, <https://lifelonglearning.winewise.online/resources/swot-analysis-wine-regions/module-2/china-by-tony-yip-wset-diploma-student-autumn-2022>

⁴⁹ "Degree of urbanization in China in selected years from 1980 to 2024", Statista, <https://www.statista.com/statistics/270162/urbanization-in-china/>

The phenomenon of wine counterfeiting

Wine counterfeiting has emerged as a significant concern within the global wine industry, and the issue is especially well pronounced in China, one of the world's fastest growing wine markets. This chapter aims to provide a comprehensive overview of the phenomenon of wine forgery, focusing on its definition, the common methods used by forgers and the most famous cases of wine counterfeiting which has influenced the global approach and countermeasures. By examining how counterfeit wines are produced and distributed, this chapter lays a groundwork for understanding the scale and impact of the issue. It sets the stage for evaluating the effectiveness of current anti-counterfeiting strategies and help to inform both producers and consumers.

2.1. Wine forgery: definition & methods

Verifying information became very challenging in XXIst century. Technological progress, anonymity in the Internet, ubiquitous presence of media that everyone can participate in - have all facilitated a creation of fraudulent news, information or products.⁵¹ The ability to sort and filter that information is at risk, thus, often, we are not able to verify everything we see or hear. This gives a space to vast variety of crimes. The wine sector has not remained intact and witnessed the rise of counterfeiting wines circulating in the global market.

The counterfeiting, certainly, is not a new phenomenon. In fact, there are records of faking wines that trace back to the Ancient times. Fake Italian wines alarmed Pliny the Elder, who complained about the gravity of the situation.⁵² The Falernian wine due to its prestigious

⁵¹ It is important to keep in mind that cyber revolution and Information Age have been developing unevenly in different countries, thus, its impact differs in each society.

⁵² Michał Misior, "Winne falszerstwa", Nasze-wina.pl, <https://www.nasze-wina.pl/nw/pages/winnefalszerstwa-czesc-I/>

status was sought after by the most wealthy Roman citizens. Forgers of Ist century A.D. were driven by the same motivation as modern day ones: the possibility of quick profit.

In order to be able to sort the fake from authentic, it is necessary to clarify, what the original product is. In 1889, French government has defined “wine” as a product that can be made only from the alcoholic fermentation of grapes.⁵³ Followed by other wine producing countries, this definition has been an object of changes. The current definition of “wine” proposed by the Italian law is enriched in more specifying information like the minimal alcohol volume and the use of *Vitis vinifera* or a hybrid created from this specie crossed with other type of grape.⁵⁴ In age of China’s opening reforms, the “Wine and its testing methods” (QB 921-1984) has took effect and marked the beginning of Chinese wine codification.⁵⁵ The standards of appellations in Europe have emerged in the course of last 100 years. The legislative history of designation of origin starts in 1963 in Italy⁵⁶, in 1905 in way-making France⁵⁷ and in 1925 in Spain⁵⁸. The gradual formation of those hierarchical systems not only has been a trial of standardization but also in some way a wine forgery countermeasure. Considering the wide gamut of wine forgeries, the emergence of designation of origin was only a drop in the ocean.

Since wine is a beverage involving complex knowledge and techniques, there are countless possibilities of faking it; from the raw material till the ready product in the bottle. At the very beginning before the production, the grapes themselves can be the object of a forgery. The lie can regard the variety of grapes used or the origins of the fruit. Use of wine from other

⁵³ Ibidem

⁵⁴ “La legislazione sui vini italiani”, Delta del Vino, 18.02.2025
<https://deltadelvino.com/la-legislazione-sui-vini-italiani/>

⁵⁵ Chenlu Yang, Rui Song, Yinting Ding, Liang Zhang, Hua Wang, Hua Li, “Review on Legal Supervision System of the Chinese Wine Industry”, (Basel: MDPI, 2022): 2,
<https://doi.org/10.3390/horticulturae805043>,

⁵⁶ <https://www.quattrocalici.it/conoscere-il-vino/legislazione-e-norme/>

⁵⁷ “French Wine Classification and the History of L'Appellation d'origine contrôlée (AOC): Everything You Need to Know”, Sommdigi, <https://sommdigiblog.com/wine-countries/french-wine-classification-and-the-history-of-lappellation-dorigine-contrlee-aoc-everything-you-need-to-know>

⁵⁸ “All about DOCa Rioja: history, certifications, and classifications”, Rioja wine, <https://riojawine.com/en/the-designation/>

regions or countries and selling them as wine of different origin is another common criminal practice. That was the case when wine from Languedoc was sold as wine from Bordeaux or cheap Spanish wine became an Italian wine.⁵⁹ Once, intercontinental large-scale forgery of this kind has been detected only thanks to the crucial role the customer played. In 2023, a vigilant Spanish tourist suspecting the falsification had bought the bottle of Rioja in Vietnam and brought back to homeland, where it was controlled by the laboratory. Tests confirmed the suspicions, the beverage, cork and the label did not meet standards of Rioja region wines. Some traces of the crime has been found also in the neighboring China.⁶⁰

During production process, wine can be worsen by the addition of prohibited ingredients like water, alcohol, honey or cheaper wines. In some extreme cases, illegally added substances can be hazardous for health, however, many additives are the result of many centuries of a tradition or common practice. Since there is no universal regulation system standardizing this aspect, it is impossible to assert with 100% of accuracy what substances are illegal. The process of chaptalization⁶¹ arises controversies on that field. This process involve adding sugar to wine and has been practiced in Oregon or even areas as prestigious as Bordeaux.⁶² However adding cane sugar is illegal in California, Argentina, Australia, Southern France and South Africa.⁶³ Even though chaptalization is a common method used throughout centuries, some wine experts (Piotr Stopczyński) argue that in well managed winery reaching desired alcohol level in wine is possible without this kind of manipulation.⁶⁴ Oak chips are another example of a disputable

⁵⁹ Ibidem

⁶⁰ Michał Snopkiewicz, „Rozbito międzynarodową grupę fałszującą hiszpańskie wina Rioja. Kluczowa rola konsumenta w wykryciu oszustwa”, Food Fakty, <https://foodfakty.pl/rozbito-miedzynarodowa-grupe-falszujaca-hiszpańskie-wina-rioja-kluczowa-rola-konsumenta-w-wykryciu-oszustwa>

⁶¹ Chaptalization - the process of adding sugar to grape juice in order to increase the final alcohol level in the finished wine.

⁶² Madeline Puckette, “What You Need To Know About Wine Additives”, Wine Folly, <https://winefolly.com/deep-dive/wine-additives/>

⁶³ Ibidem

⁶⁴ Maciej Nowicki, „Wywiad: Piotr Stopczyński. Czy można sfalszować wino?”, Ferment, 14.08.2024, <https://fermentmag.pl/wywiad-piotr-stopczynski-czy-mozna-sfalszowac-wino/>

additive. Originally banned, now legal in Europe for nearly twenty years.⁶⁵ This New World technique, even if suspected of camouflaging the original flavor and *terroir*, has been permitted in order to facilitate the winemaking. Oak chips are a cheaper and ecological alternative for oak barrels. In order to avoid forgeries the use of the oak chips must be declared on the label. The label itself is a subject of numerous manipulations too. Various false statements on the label, regarding e.g. appellation, vintage, grape variety, the oak used for wine aging or the aging time itself, can efficiently increase the price of the bottle. It is believed, that due to well skilled artisans and the criminal network ready to invest, Italy is the European center of faking labels. In 2013 French police arrested two Italian citizens regarding the case of poor wine being relabelled as *Romanée Conti* wine. The fraudsters earned nearly two millions euros from the scheme.⁶⁶ With king's ransom paid for those most prestigious wines (price of *DRC Romanée Conti Grand Cru Monopole* 1990 reaching 20,320 euro⁶⁷ currently) forgery have become a temptation that more people are eager to follow. In 2018, French rosé wine turned out to be Spanish rosé - up to 3.45m liters of Spanish wine was disguised as French.⁶⁸ In 2024 the transborder collaboration of French, Swiss and Italian organs led to uncovering of wine fraud ring, which charged even 15 000 euro per bottle of fake French red wine which was forged in Italy.⁶⁹ Wine counterfeiting is flourishing not only at the European borders. In 2021, Argentina and Brazil confiscated 80,000 bottles of Argentine, Chilean, German wine being subject of wine counterfeiting.⁷⁰

⁶⁵ Jancis Robinson, "Now the oak chips etc may be used throughout Europe", JancisRobinson.com, 08.05.2006, <https://www.jancisrobinson.com/articles/now-that-oak-chips-etc-may-be-used-throughout-europe>

⁶⁶ "French bust 'vintage wine scam'", 23.10.2013 <https://www.bbc.com/news/world-europe-24637689>

⁶⁷ https://www.wine-searcher.com/merchant/16517-y18-elegant-spirits-ltd?wine_id_F=685679955

⁶⁸ "Millions of Spanish wine bottles sold off as French rosé", 09.07.2018, <https://www.bbc.com/news/world-europe-44764880>

⁶⁹ "Wine counterfeiters busted in Italy for selling bottles of fake wine for EUR 15 000", Europol, 15.10.2024, <https://www.europol.europa.eu/media-press/newsroom/news/wine-counterfeiters-busted-in-italy-for-selling-bottles-of-fake-wine-for-eur-15-000>

⁷⁰ Ashley Pechinski, "Grapes of Wrath – Why Argentina and Brazil are Awash in Smuggled Wine", Insight Crime, 27.03.2021, <https://insightcrime.org/news/grapes-wrath-brazil-argentina-awash-smuggled-wine/>

2.2. Wine forgery: cases

In fact, the forgery of this kind demands not only great eye for detail but a vast knowledge on wine. Rudy Kurniawan is the self-proclaimed king of wine counterfeiting who has been successfully trading counterfeited wines in the circle of greatest wine connoisseur for twelve years. Dr. Conti (Kurniawan's nickname) was also a wine enthusiast himself, who used his extraordinary palate in order to make wine lover's dreams come true. Dr. Conti gained the trust of the American wine upper crust. Soon the "magic cellar" of Kurniawan became a legendary place. Those rare bottles he traded, were the effect of careful reproduction. In his home in 2014, FBI has revealed a whole production factory squeezed in an ordinary apartment. It turned out, the real "magic" was happening in the sink of Dr. Conti's house. With extraordinary sensibility for flavors and aromas, he was able to decomposed the finest wines and recreate them with the use of cheaper substitutes. The rarest wines were now on the market, for example *Château Mouton Rothschild* from 1945, and Conti happened to have 12 bottles of this dainty. In 2008 at the auction of Christie's, Kurniawan presented *Ponsot Clos Saint Denis* from Burgundy from the vast vintage range:1945-1971. The French winery wine which was the object of auction has informed, that their wine started to be bottled only after 1982.⁷¹ Verification showed that bottles from Kurniawan were not authentic.⁷² Investigation revealed his real name - Zhen Wang Huang, as he was Indonesian born son of Chinese immigrants. Even though convicted for the 10 years of prison, Kurniawan is free now and still active in the wine business. The audacious practice of Kurniawan showcases the vulnerability of human senses to this kind of crime, as he was able to trick the most seasoned wine lovers and oenologists, not to speak about an ordinary customer.

⁷¹ Théophile Larcher, How a French winemaker put the world's biggest wine fraudster in jail, *The Connexion*, 29.01.2024, <https://www.connexionfrance.com/news/how-a-french-winemaker-put-the-worlds-biggest-wine-fraudster-in-jail/622044>

⁷² Marek Rekowski, „Największe fałszerstwa wina – Rudy Kurniawan na wolności”, *Winnica Profesora*, <https://winnicaprofesora.pl/ciekawostki/najwieksze-falszerstwa-wina-rudy-kurniawan-na-wolnosci/>

China suffers from wine counterfeiting malady too. Forgers responded to the growing demand for wine in China. In 2013, so almost immediately after the wine boom in China started, in Beijing region, police found the fake wine worth 32 million U.S. dollars. Wine brands being counterfeited were well-known and awarded European and Australian labels like *Château Lafite Rothschild*, *Château Latour*, *Château Mouton Rothschild*, *Château Beychevelle*, *Château Pichon Baron* and *Penfolds*.⁷³ In 2012, a large operation in Shanghai was discovered holding over 350 cases of fake *Château Lafite Rothschild*.⁷⁴ In 2024, Chinese police has uncovered another illegal wine production with French brand being at the center of forgers attention again. Officers found that 786 the counterfeit bottles, *Carruades de Lafite 2017*, *Petrus*, *Château Lafite Rothschild* among them.⁷⁵ Wine counterfeiting is present in whole China, spreading to the neighboring Taiwan. 160,000 liters of semi-finished wines were confiscated in a workshop in Gaoxiong. This time bottle labels carried information of Argentinian origin of the wine.⁷⁶ Suspects are actually having the wine company themselves (*Wei Li Wine Company* 威力酒厂) and have been convicted for the same crime in the past already.

Around 3.2 million hl of wine is produced every year in China, what makes around 1.3% of the world wine production.⁷⁷ Wine consumption in China is equal to 1.51 l/per capita.⁷⁸ The country has one of the biggest vineyard areas in the world, occupying 10.5% of the global share.⁷⁹ At the same time, the Comité National des Conseillers du Commerce Extérieur de la

⁷³ “Massive Chinese Counterfeit Wine Ring Busted with 7,000 Fake Cases”, The Wine Cellar Insider, <https://www.thewinecellarinsider.com/2013/08/massive-chinese-wine-counterfeiting-ring-busted-7000-fake-cases/>

⁷⁴ Ibidem

⁷⁵ Martin Green, “Chinese fraudster jailed for five years for bottling fake Lafite and Petrus”, Decanter, 3.05.2024, <https://www.decanter.com/wine-news/chinese-fraudster-jailed-for-five-years-for-bottling-fake-lafite-and-petrus-528577/>

⁷⁶ Natalie Wang, “Taiwan authorities bust fake Argentine wine company”, The Drinks Business

08.02.2018, <https://www.thedrinksbusiness.com/2018/02/taiwan-authorities-bust-fake-argentine-wine-company/>

⁷⁷ “Wine Producing Countries 2025”, World Population Review, <https://worldpopulationreview.com/country-rankings/wine-producing-countries#top-10-wine-producing-countries-in-the-world-thousand-liters>

⁷⁸ Ibidem

⁷⁹ “Wine industry in China - statistics & facts”, Statista, <https://www.statista.com/topics/5036/wine-industry-in-china/#editorsPicks>

France (CNCCEF) released a report stating that 50% of wines in China were fake or misleading.⁸⁰ Why is the epidemic of counterfeited wine spreading so fast in China?

⁸⁰ Allan Liska, “How accurate are the figures on wine fraud?”, Jane Anson: Inside Bordeaux, <https://janeanson.com/how-accurate-are-the-figures-on-wine-fraud>

III

Wine counterfeiting: Chinese characteristic of the phenomenon and the countermeasures

This chapter delves into the complex landscape of wine counterfeiting in China, examining the key factors that contribute to its persistence and scale. It explores how cultural and regulatory conditions in China, as well as the purchase methods, create a fertile environment for wine forgery, and pays particular attention to the role of the Internet—especially e-commerce platforms and social media—in amplifying the problem.⁸¹ Unlike in many other markets, digital channels in China play a disproportionately large role in the circulation and sale of counterfeit wine, making online activity a critical area of focus.⁸² 4 out of 5 biggest online marketplaces are Chinese-owned companies: *Taobao*, *Tmall*, *JD.com*, *Pinduoduo*,⁸³ the number of online shoppers in China has been increasing rapidly from below 34 million in 2006 to over 466 million users a decade later,⁸⁴ the digital buyer penetration rate – amount of buyers that purchased products online is around 59%.⁸⁵ This growing trends have reflection in wine purchasing methods. Currently, 20% of all wine sold in China is sold via e-commerce websites, and some experts expect the number to be 50% within a decade.⁸⁶ Thus, watching closely the role that Internet play in wine counterfeiting phenomenon is vital for better understanding of the issue.

⁸¹ Three out of five leading global online marketplaces are Chinese-based companies: Taobao, Tmall, JD.com. For more information see “Top Online Marketplaces Worldwide by GMV (2024)”, Oberlo, <https://www.oberlo.com/statistics/top-online-marketplaces-worldwide-by-gmv>

⁸² „Internet and Social Media in the Chinese wine market”, Wine Intelligence by WSET, (2017): 6

⁸³ Andy Foot, “Top 20 ecommerce marketplaces in the world in 2025”, Channel Engine, 14.01.2025, <https://www.channelengine.com/en/blog/worlds-top-marketplaces>

⁸⁴ “Number of online shoppers in China from 2014 to 2024 (in millions)”, Statista, <https://www.statista.com/statistics/277391/number-of-online-buyers-in-china/>

⁸⁵ “Digital buyer penetration in China from 2017 to 2022”, Statista <https://www.statista.com/statistics/261661/digital-buyer-penetration-in-china/>

⁸⁶ „The Most Important Websites for Wine Sales in China”, China Wine Competition, 20.11.2020, <https://chinawinecompetition.com/en/blog/insights-1/the-most-important-websites-for-wine-sales-in-china-131.htm>

The chapter also investigates the range of countermeasures employed to combat wine forgery. These include efforts by wine producers to protect their brands through technology, packaging innovations, and supply chain monitoring, as well as state-led initiatives in China aimed at regulating the market and enforcing intellectual property rights. However, it raises an important and often overlooked question: to what extent are these state actions genuinely aimed at curbing counterfeiting, and to what extent might they serve broader political or economic objectives? This chapter not only reveals the mechanisms behind the issue but also critically assesses the motivations behind institutional responses, providing essential context for evaluating the effectiveness and intent of anti-counterfeiting efforts in one of the world's most influential wine markets.

3.1 Factors facilitating wine counterfeiting in China

3.1.1. The profile of Chinese wine drinker

Consumers' insufficient knowledge is one of key factors enabling wide spread of wine counterfeiting in China. Even though wine was present in China for centuries, it has played different role in this society from the one in wine consumption leaders like French, Portuguese, Italians. A modern day Chinese customer does apply cultural filters on wine – seeing it as an attribute of occidental civilization. Such a notion is partially true, as people from Old World wine regions draw more attention to wine. The wine awareness is growing in China, but the ordinary consumer, very often, cannot verify, if product is authentic. Only 7% of population of Chinese urban upper-middle class imported wine drinkers falls into „Connoisseurs” category according to WSET.⁸⁷ The perception of wine as a luxurious product to show to friends and coworkers influences heavily the purchase decisions of Chinese. 19% of imported wine drinkers can be described as prestige-seeking traditionalist (who favor French wine).⁸⁸ Shen Yi, a veteran

⁸⁷ „Internet and Social Media in the Chinese wine market”, Wine Intelligence by WSET, (2017): 4

⁸⁸ Ibidem, 4-5

wine merchant, noticed that very often the packaging is more important than the quality itself.⁸⁹ With goal of impressing the closest environment, Chinese people are willing to buy great labels for lower price. The suspicious promotions are attracting clients buying for the sake of showing off the status. In the end, many consumers are not going to even open the wine, because it is meant to be shown, not drunk immediately. The wine industry is still relatively young in China, thus, there are not enough educational/promotional materials available. On 14 November 2024, the China officially joined the International Organization of Vine and Wine (OIV), becoming the 51st member.⁹⁰ The fact that the institution exists for a century already, shows that Chinese actions on setting wine standards have been very recent. Within the country there were wine association existing in different regions, but the first uniting body was created in 2015 called *China Wine Association Alliance*, gathering 17 wine associations.⁹¹ Followed by foundation of *The Union of Chinese Winemakers Association* in 2016.⁹² However, one who wants to find out more about activities of these organizations can get a rather bitter surprise. There is no official website of any of those, no information available – beside 10-year-old articles announcing the creation of those organizations. Impossible to find the secretariat of any of those bodies online, nor their recent projects, it can be assumed that both institutions are not active. If there is no local Chinese official body uniting wine makers and setting standards of wine industry, the task of promoting wine knowledge is at “no man’s land”. Eyes are focused on foreign organizations like WSET that has been operating in China for more than 15 years now, educating Chinese sommeliers. However, sommeliers are not given the right value in Chinese societies being

⁸⁹ “The Wine That Never Was: How a \$1 Billion Pyramid Scheme Used Fine Wine as Bait”, *Vino Joy News* 14.08.2024, <https://vino-joy.com/2024/08/14/the-wine-that-never-was-how-a-1-billion-pyramid-scheme-used-fine-wine-as-bait/>

⁹⁰ <https://www.gamberorossointernational.com/news/its-official-china-joins-the-international-organisation-of-vine-and-wine/>

⁹¹ 冯帆, “中国各地葡萄酒协会联手促进销售”, *Decanter China*, 30.04.2015, <https://www.decanterchina.com/zh/%E8%A1%8C%E4%B8%9A%E6%96%B0%E9%97%BB/%E4%B8%AD%E5%9B%BD%E5%90%84%E5%9C%B0%E8%91%A1%E8%90%84%E9%85%92%E5%8D%8F%E4%BC%9A%E8%81%94%E6%89%8B%E4%BF%83%E8%BF%9B%E9%94%80%E5%94%AE>

⁹² Li Lingfeng, ”The Union of Chinese Winemakers Association Founded”, *Winechina.com*, 22.04.2016, <http://www.winechina.com/html/2016/04/201604284504.html>

mistakenly perceived as waiters or bartenders. 待酒师- the Chinese term for ‘sommelier’ leaves space for understatement. Even though Chinese high end restaurants provide sommelier service and many of restaurants were honored with *Star Wine List* award⁹³ – ordinary costumers are forced to rely on wine influencers and own effort on finding valuable information on regard.

3.1.2. The role of Internet in wine counterfeiting in China

XXIst century has witnessed a growth of the interest in wine in China, wine influencers have emerged to answer this demand. Wang Shenghan, or rather *Lady Pinguin* as the online audience calls her, is only 36 year old and she took the Chinese wine world by storm becoming a leading wine influencer. Only in 2020, she generated nearly \$49.5m via her retail channel. In the beginning, her online activity was mainly educational videos. With great investors willing to exploit her potential, soon the range of content grew far beyond wine knowledge promotion. *Lady Pinguin* became an ambassador of wine brands (e.g. Wine Australia), she created her own brand and a retail channel and published a wine educational book. What’s more, she offered to her audience a monthly subscription of wine delivery with study notes worth 200 RMB.⁹⁴ Wang converted into a huge promotional body drifting away from the educational quality of her beginnings. The recent content *Lady Pinguin* published on the *Red Note* app makes it clear, that it is a machine focused only on converting Chinese interest in wine into wealth.⁹⁵ The account is flooded with aesthetic photos of her own brand products packed in an painstakingly decorated box. Surprisingly, in the end of 2024 Wang has informed the followers that she withdraws herself from the online business due to the burn out. Not completely abandoning the wine sector though, as she planned to reinvent herself as a producer in Ningxia region,⁹⁶ but surely abandoning the big group of fans thirsty of wine knowledge.

⁹³ More information on Star Wine List in China can be found on the official website of Star Wine List: <https://starwinelist.com/wine-lists/china>

⁹⁴ “Top Chinese Influencer, Lady Penguin, Steps Back. End of an Era?”, Meininger’s International, 16.10.2024, <https://www.meiningers-international.com/wine/insights/top-chinese-influencer-lady-penguin-steps-back-end-era>

⁹⁵ 醉鹅娘每日红酒 and 醉鹅娘 account. Red Note ID: 780744074 and 114271003

⁹⁶ Ibidem

Another reason of wine counterfeiting phenomenon spread in China is also connected with the role that Internet plays in daily life of Chinese. The e-commerce has overthrown customer purchase habits. As Faradiva Dwi Azizah notices in “Impulsive Buying Behavior: Implementation of IT on Technology Acceptance Model on E-Commerce Purchase Decisions” (2022), online shopping very often involves impulsive buying – buying products without planning it in advanced. E-commerce has given rise to huge consumers community and the substantial (often overwhelming) volume of reviews. The quality of reviews shows a discrepancy, sometimes being almost spam-like messages, nonetheless, it influences heavily costumers’ choices.⁹⁷ According to International Trade Administration, China is the largest e-commerce market in the world with the revenue reaching 1.5 trillion U.S. dollars agglomerating around 710 million of digital buyers.⁹⁸ Livestreaming platforms like *Taobao*, *JD.com*, *Douyin (Tiktok)*, *Red Note* and *Kuaishou* reached around 39% of all Chinese netizens.⁹⁹ These platforms let users buy a bit of everything, obviously, wine producers moved their trade to these online world of endless possibilities. New purchase trend has drew attention of both wine producers and wine forgers, with both of the groups willing to reap the fruits of online shopping. Almost half of Chinese wine drinkers purchase wine online, to put this into wider context, it is only 15% of wine buyers purchase wine online in Germany and even less – 11% - in USA.¹⁰⁰

The anonymous nature of the Internet is what makes it a great environment for various frauds, including wine. The scheme of scam differs; online “wine shop” can offer rare wines for a very low price, but after the purchase one finds out wine never arrives. In the other case, when wine gets delivered, the bottle contains cheap wine, not the one buyer has ordered. The

⁹⁷ Xiaolin Zheng, Shuai Zhu, Zhangxi Lin, “Capturing the essence of word-of-mouth for social commerce: Assessing the quality of online e-commerce reviews by a semi-supervised approach”, *Decision Support Systems*, vol. 56 (2013), <https://doi.org/10.1016/j.dss.2013.06.002>,

⁹⁸ International Trade Administration, [https://www.trade.gov/country-commercial-guides/china-ecommerce#:~:text=In%202021%2C%20China%20became%20the,ahead%20of%20the%20United%20States.&text=Alibaba's%20Taobao%20and%20Tmall%2C%20\(50.8,dominate%20China's%20e%2Dcommerce%20market](https://www.trade.gov/country-commercial-guides/china-ecommerce#:~:text=In%202021%2C%20China%20became%20the,ahead%20of%20the%20United%20States.&text=Alibaba's%20Taobao%20and%20Tmall%2C%20(50.8,dominate%20China's%20e%2Dcommerce%20market).

⁹⁹ *Ibidem*

¹⁰⁰ „Internet and Social Media in the Chinese wine market”, *Wine Intelligence* by WSET, (2017): 2

giant e-commerce platforms sell wine from merchants and retailers, who can provide fake product. In 2017 *JD.com* retailer has been caught selling low-level *Vin de Pays as Château Lafite Rothschild*.¹⁰¹ Online shopping enables users to leave a feedback. Reviews can influence greatly purchase decisions, thus, they are tool of forgers' manipulation too. Researchers find that consumers are three times as likely to buy a product as not when it has a large number of reviews.¹⁰² It is unknown how many online reviews are fake, but there are some authoritative figures that give an idea of the scope of the dealings. In 2017 the Ministry of Public Security announced had shut down over ten thousand websites and identified over ten million fake posts in the same year. This striking number stays in sharp contrast with the general trust that Chinese wine drinkers have in social media. Comments/reviews on shopping websites even if the least trusted source, still gain 29% trusting them completely wine customers.¹⁰³ Posts and discussions on *WeChat* (either from friends/family or brands) have profound influence over consumer's decision to purchase a specific wine, with 41% indicating this as their most trusted source for wine information.¹⁰⁴ More recently, in 2022, the Ministry uncovered six million suspicious accounts and dissolved 170 thousand instant messaging groups that had been run to facilitate the practice.¹⁰⁵ When it comes to modus operandi, it is candidate for the "job" are invited to those groups, where the information about new task is disseminated, after completing the task, the group is deleted.¹⁰⁶ As a result, it is quite simple scheme providing fast and discrete way of brushing¹⁰⁷ (as it is called in China) the reviews. Scammers write a generic review that can be later repeated under different product. After sending the screenshot of the successfully

¹⁰¹ Natalie Wang, "China's leading e-retailer in 'fake' Lafite scam", *The Drinks Business*

08.02. 2017 <https://www.thedrinksbusiness.com/2017/02/chinas-leading-e-retailer-caught-selling-fake-lafite/>

¹⁰² Geoffrey Brink, "Fake Reviews in Chinese E-Commerce The Case of Wine", *Tampere University of Applied Sciences*, 2022: 13

¹⁰³ „Internet and Social Media in the Chinese wine market”, *Wine Intelligence* by WSET, (2017): 7

¹⁰⁴ *Ibidem*, 7

¹⁰⁵ Geoffrey Brink, "Fake Reviews in Chinese E-Commerce The Case of Wine", *Tampere University of Applied Sciences*, 2022: 14

¹⁰⁶ *Ibidem*, 15

¹⁰⁷ 刷单, 刷评

added review, participants receive the payment.¹⁰⁸ This pattern makes the crime difficult to trace, while the market is being flooded by false products.

3.1.3. Chinese legal environment

China has strengthened the Intellectual Property Protection via different measures. Among scrupulously followed Economic and Trade Agreements, it has focus on decisive fight against counterfeiting. In December 2020, the National People's Congress (NPC) passed the amendments to the Criminal Law. This document defined not only the scope of prohibited acts but also clearly defined the act of theft of business secrets. Beside protection of business secrets, improving the system for protection of pharmaceutical-related intellectual property has been performed, Improving the protection of trademarks and geographical indications. In December 2023, Chinese legislative organs formulated and released the Measures for the Protection of Geographical Indication Products, and the Regulations on the Registration and Management of Collective Trademarks and Certification Trademarks which is the fundament of safe business environment.¹⁰⁹ This image is depicted by The State Council Information Office of the People's Republic of China. This body took the position on the state of economic environment of bilateral trade relations with China. Emphasizing the focus on countermeasure the counterfeiting, the Council lists the gamut of steps taken, namely launching a stronger fight against cyber infringement, Strengthening intellectual property-related law enforcement, Imposing legal prohibitions on forced technology transfer and more.¹¹⁰

The position of China that emerges from this long list of multiple measures adopted to protect business stays in striking contrast with the ruthless mathematic data. China occupies the first place in the global ranking revealing the trade of counterfeiting goods. China is followed

¹⁰⁸ Geoffrey Brink, "Fake Reviews in Chinese E-Commerce: The Case of Wine" (Master's thesis, Tampere University of Applied Science, 2022): 15-16

¹⁰⁹ http://english.scio.gov.cn/whitepapers/2025-04/09/content_117814362_4.html

¹¹⁰ Ibidem

by another Asian country (Cambodia) on the fifth place.¹¹¹ The United Nations Office on Drugs and Crimes estimates that two billion counterfeit products worth \$8.2 billion are produced annually in China, with estimated increasing trend.¹¹² How is this notorious leadership possible then?

Western concept of intellectual property protection elaborated terms like “trademark”, “copyright”, “patent” or “trade secret”. These pillars are supposed protect ingenuity and consequently ensure some sort of economic reward for the inventors for fruit of their labor. They have been existing for quite long time in the history of Western countries, e.g. copyrights stem from U.S Copyright Law passed as early as 1790.¹¹³ Chinese have been violating these intellectual protection mechanisms or interpreting it in own particular way. However, since China’s participation in World Trade Organization since 2001,¹¹⁴ countless cross-cultural economic and trade bonds have been made. Thus, the pressure on China to respect the international standards have grown. Intellectual property rights have not been the focus of much attention throughout China’s history, so many of the current intellectual property laws have been developed in last three decades. The introduction of those new laws though happened – was more a symbolic response to international pressure, rather than an active initiative to reduce the scale of this crime in the country. Some sources find Chinese culture guilty of the common acceptance of stealing intangible works of someone else. According to those, Confucianism encourage copying of works in order to learn and manifest the admiration to the original creator.¹¹⁵ Whether its cultural or not, for sure Chinese legal system creates a rather friendly environment for this practice. Patent law working on “first to register” basis provides a good

¹¹¹ Countries with the Highest Trade in counterfeit goods rate in the World - The Organized Crime Index, https://ocindex.net/rankings/trade_in_counterfeit_goods?f=rankings&view=List

¹¹² The United Nation Office on Drugs and Crime, *The Globalization of Crime: A Transnational Organized Crime Threat Assessment*, 181 (Vienna: UNODC, 2010): 175

¹¹³ Daniel C. Fleming „Counterfeiting in China”, *East Asia Law Review*, Vol. 10 No.2. (University of Pennsylvania, 2014) : 19

¹¹⁴ World Trade Organization, https://www.wto.org/english/thewto_e/countries_e/china_e.htm

¹¹⁵ *Ibidem*, 19 - 23

example. In China's system no evidence of previous ownership of the work is required, thus, when two candidates apply for obtaining the patent for the same work – it is simply the first one who receives it. This constitutes a clear vulnerability of foreign inventions on China's soil. Parallely, copyright law passed in 1990, leaves foreign works without protection if not registered first in Chinese system (unmindful of their copyright granted in foreign country).¹¹⁶ Since the country has been a major source of world counterfeited goods, previously discussed emergence of e-commerce has just facilitated the phenomenon. Possession of two strategic harbors – Macau and Hong Kong – makes it easy to stream false goods to other countries. In 2008, the World Customs Organization, revealed that 65% of the total of counterfeit shipments detected departed from mainland China, Hong Kong was the departure point of 8 million pieces seized globally.¹¹⁷ According to Global Organized Crime Index¹¹⁸, the actors of this thriving illegal market in China are both official (state-embedded, corrupted subjects) and unofficial (Chinese Triads). Massive growth of Chinese economy have witnessed the emergence of outsourcing. Foreign companies have been attracted by low cost and high productivity of Chinese factories.¹¹⁹ Nevertheless, the fact that the designer and the manufacturer live on two different continents have boosted the growth of counterfeiting. Counterfeiters are tempted by the maximized profits, as the cost of designing, marketing or later sales taxes can be avoided. Counterfeits include wide range of goods from tobacco to luxury products. Corruption Perceptions Index scored China no. 76 out of 180 countries.¹²⁰ As corruption remains a serious issue in China, recently taken legal countermeasures for stealing intellectual property reached a relatively limited scope.

¹¹⁶ Ibidem, 23

¹¹⁷ The United Nation Office on Drugs and Crime, *The Globalization of Crime: A Transnational Organized Crime Threat Assessment*, 181 (Vienna: UNODC, 2010): 177

¹¹⁸ Countries with the Highest Trade in counterfeit goods rate in the World - The Organized Crime Index, https://ocindex.net/rankings/trade_in_counterfeit_goods?f=rankings&view=List

¹¹⁹ The United Nation Office on Drugs and Crime, *The Globalization of Crime: A Transnational Organized Crime Threat Assessment*, 181 (Vienna: UNODC, 2010): 176

¹²⁰ Transparency International: *Our Work in China*, <https://www.transparency.org/en/countries/china>

3.2. Countermeasures

3.2.1 Countermeasures applied by the wine companies

The set of countermeasures have been developed and can be executed by both wine companies themselves and the state.¹²¹ There are three main categories of approaches that companies use to mitigate product counterfeiting: product/packaging-related, customer information/education-related and process-related measures. Blockchain systems have a great potential for detecting counterfeited goods. It allows customer to verify the origins of the product. Even if on one hand it can be an advantage that blockchain system have over traditional track-and-trace mechanisms, human interaction is known for being subjective, thus, can influence the authenticity of the information.¹²² Further solution for reducing the risk of wine falsification is connected to the label. Creating smart labels– such as barcodes, QR codes and serial numbers– is one of the solution spreading recently. Near-field Communication (NFC) tags are even more efficient way to secure the label from replication.¹²³ The recent rise of AI can help to improve the blockchain feeding, as in this way the risk of human error or fraudulent behavior is avoided. All the above mentioned technologies make tracking wine bottles throughout their “lifecycle” possible. Smart tags not only have the QR code that provides customer with all the detailed information on wine, but also can be printed with functional photochromic ink. The authenticity of the wine is determined using the information that corresponds to the QR code matched with the information printed by the ink. The use of ink seems especially interesting, as it remains invisible till the moment it is exposed to white LED light.¹²⁴ This solution demands only a camera and the right application downloaded on phone,

¹²¹ Pamela Danese, Riccardo Mocellin, Pietro Romano “Designing blockchain systems to prevent counterfeiting in wine supply chains: a multiple-case study”, *International Journal of Operations & Production Management* Vol. 41 No. 13, (Emerald Publishing Limited, 2021): 5, DOI 10.1108/IJOPM-12-2019-0781

¹²² *Ibidem*, 7

¹²³ *Ibidem*, 9

¹²⁴ Stevan Šandi, Sanja Šučur Radonjić, Jovana Drobnjak, Marko Simeunović, “Smart Tags for Brand Protection and Anti-Counterfeiting in Wine Industry”, 23rd International Scientific-Professional Conference on Information Technology (IT), Žabljak, 2018:2, DOI:10.1109/SPIT.2018.8350849

so generally speaking, it is quite simple for customer to enjoy benefits of it. With smartphone in nearly every pocket all around the world, the smart packaging is becoming more popular solution for both anti-counterfeiting and reaching higher customer engagement.

In the situation when counterfeiting involves substitution – so when the fake product has been poured to the original bottle, smart tags fail to protect both consumers and producers. In that case producers rely on observation of the signals coming from the market.¹²⁵ A sudden decrease in sales or increased grey market activity, for example a large volume of product being sold on e-commerce platforms can be an early alert for the producers on counterfeiting activity. Setting up a fake company in order to get in contact and trace the forgers can be another method of fighting counterfeiting.

Some other solutions suggest destroying the bottles of wine after emptying it in order to prevent them to reappear in the circulation. Since Rudy Kurniawan has proved that original bottles are the great tool in ingenuine forger's hands, the empty bottles of most famous wine brands turned out to be a hot commodity. Empty bottle of 1945 *Château Latife Rothschild* reaching 438 euros on popular online shopping platform, empty *Romanée Conti* from 1982 for 424 euro or 2001 *Petrus* for almost 140 euros.¹²⁶ They might have a great value for collectors, however the doubts on the risk of refilling are emerging. Why otherwise, would someone want to pay more than 400 euros for an empty bottle of wine with high Rober Parker's rating? Presumably, because it is worth a lot more once it is filled up again.

One of the most prestigious wine communities and wine trade platforms – *Crurated* – has shared with me the information on challenges that counterfeiting brings. Alfonso de Gaetano, one of the founders, decided to overthrow the wine delivery chain and built a marketplace enabling the wealthy to buy the best collections from the producers directly. He,

¹²⁵ Soon, Jan Mei and Manning, Louise, "Developing anti-counterfeiting measures: the role of smart packaging", (Lancashire: University of Central Lancashire, 2019), <https://doi.org/10.1016/j.foodres.2019.04.049>
Date 2019

¹²⁶ Ebay.nl

himself, disappointed with the counterfeited wine bottle in his own collection, gain a sense of determination to make a difference in the wine industry. According to exclusive INSEAD study that *Crurated* has shared, de Gaetano noticed the rising collective desire of the customers learn more about producers and engage with them directly, knowing more about provenance and origins of wine.¹²⁷ 52% of Chinese buyers want to visit their favorite wineries.¹²⁸ Dario Gatti, Strategy and Investor Relations Director of *Crurated*, points out the high prevalence of non-authentic bottles in the secondary wine market and low traceability and insecure storage methods as the biggest challenges that wine counterfeiting provokes. Gatti provided me also with the details on the *Crurated*'s response to that challenges. The digital certification and blockchain is used to enhance the control over the bottle from the moment it leaves the winery. Every bottle contains NFC tag that enables monitoring of the bottle throughout whole procedure, until it is delivered to the customer. The other important step is enhancing the transparency in the distribution chain. The system that *Crurated* uses registers every phase of wine distribution. In addition, in order to meet the needs of wine connoisseur, state-of-the-art storage service is provided. Clients can store their precious bottles in the *Crurated* cellar located in Burgundy, what helps to avoid superfluous shipments and reduces transport risks.

3.2.2 Countermeasures applied by the state and their scope

Although China is notorious for product counterfeiting, it is a signatory of many most fundamental international agreements regarding Intellectual Property (IP) violations. As China's IPR helpdesk states:

The Customs Law of the Peoples Republic of China prohibits the export or import of goods from or to China that infringe IP Rights. Whereas most countries' customs only examine imported goods, China differs in that its customs examine goods being imported and exported. China Customs have the authority to protect IP Rights by confiscating infringing goods and imposing fines on infringers. If the infringement of IP Rights exceeds a certain

¹²⁷ David Dubois, "The Crurated Revolution: Connecting people with Fine Wines through Blockchain Technology", (Insead, 2023): 4

¹²⁸ Ibidem: 5

threshold, then the customs authorities will also arrange for criminal proceedings to be brought against the infringing party.¹²⁹

Accordingly, on the national level itself, China provides many enforcement mechanisms. The government bodies involved in IP enforcement include:¹³⁰

- 国家市场监督管理总局 the State Administration for Market Regulation (SAMR) (China's primary market supervision, regulation and enforcement officers);
- 质量技术监督局 the Quality Technical and Supervision Bureaux (QTSBs) (product quality and labelling law enforcers);
- 公安局 the public security bureaux (PSBs)
- 中华人民共和国海关总署 the General Administration of Customs (supervision of imports and exports of goods in China);
- 国家知识产权局 the China National Intellectual Property Administration (CNIPA) (trademark and patent examination and enforcement, as well as geographical indications), the administrative body that now includes the Trademark Office (TMO) (responsible for trademark examination and oppositions), and the Trademark Review and Adjudication Board (in charge of overseeing trademark rejection appeals, invalidation applications and appeals of other TMO decisions); and
- 中国版权保护中心 the Copyright Protection Centre of China (oversight and administration of copyright registrations)

IP disputes in China have gained a new characteristic recently. The drift of events have led to creation of new perspective on IP, as it is suspected of being a part of anti-Chinese propaganda machine. On March 19, 2025, the Regulations of the State Council on the

¹²⁹ Puttini E., "Trademark counterfeiting: A comparative analysis between Chinese and Italian legislation, with a focus on the recent Ermenegildo Zegna", Master's Degree diss., (Universita Ca'Foscari, 2019): 79

¹³⁰ Dan Plane, "Procedures and strategies for anti-counterfeiting: China", World Trademark Review, 23.04.2020, <https://www.worldtrademarkreview.com/global-guide/anti-counterfeiting-and-online-brand-enforcement/2020/article/procedures-and-strategies-anti-counterfeiting-china>

Settlement of Foreign-Related Intellectual Property Disputes, have been released, effective May 1, 2025. Three articles: 15th, 16th, 17th, draw attention, as they include the firm belief that other countries “use intellectual property disputes as an excuse to contain and suppress China”.¹³¹ The draft’s aggressive tone focuses of country’s interests against the IP. The document emphasizes the need of protection from discriminatory practices that could be implemented against Chinese citizen under the pretext of intellectual property dispute. Not only the citizens themselves might be potential victims of actions taken under the vague term of “intellectual property disputes”. According to the new regulations, the coordination between executive and legislative bodies of the state should be strengthen, in order to fight against those who use intellectual property disputes to endanger China’s sovereignty, security and development interests. This recently added articles, formulate a new way of IP interpretation, as it is not the IP protection that lies in the interest of the country, but the protection against IP itself.

Patent Law also leaves some room for speculations, as there are multiple exceptions when the infringer is not held liable, e.g. if anyone who, for production and business purposes, sells a patent-infringing product, without knowing that it is manufactured and sold without the authorization of the patentee, may not be liable for compensation; or where the relevant patent is used specially for the purposes of scientific research and experimentation.¹³²

Since e-commerce plays a significant role in false products sales, in order to regain the control over it, China has taken steps to reduce this phenomenon. It is clear, that the reputation of IP rights infringer or counterfeits’ home is not beneficial for Chinese government. China has passed a long way in forming its image on the international stage. From the isolated socialistic state, through Deng Xiaoping’s opening reforms and Hu Jintao’s effort on accumulating soft

¹³¹ „国务院关于涉外知识产权纠纷处理的规定”, 中国政府网 19.03.2025,
https://www.gov.cn/zhengce/content/202503/content_7014486.htm

¹³² Patent Law of the People's Republic of China, China National Intellectual Property Administration,
<https://english.cnipa.gov.cn/col/col3068/index.html>

power with Chinese characteristics¹³³, to end up as the country that embraces harmony and peaceful development.¹³⁴ In order to be able to convince international audience that China is a good business partner, the government must show that it does not accept any crime within the country.

The E-commerce Law defines 刷单“brushing”¹³⁵ as illegal act and it held the seller directly liable for false product selling.¹³⁶ The enforcement action “Iron Feast” against unfair competition carried in 2022, has revealed multiple cases of trade law infringement, among them 738 cases were regarding “brushing”.¹³⁷ Beside this programme, China has taken many other steps to ensure better IP methods. The Trademark Law was revised, implementing a special legislation for Geographical Indications, giving exclusive protection to those.¹³⁸ Recent *DRB Lafite Group* triumph evidences China’s intensified efforts in IP rights’ protection. *DRB Lafite Group* has been awarded record-breaking amount of RMB 80 million in a landmark lawsuit case against counterfeiters.¹³⁹ Couple of years earlier, in 2018 *Château Lafite Rothschild* won a court case in Shanghai, concerning trademark infringement of its signature *Lafite* brand. The case is cutting-edge example of protecting an unregistered well-known trademark in China.¹⁴⁰ China has also refined relevant provision on Cybersecurity, further, promoting the application of advanced technologies, and the balance between a fair and transparent review process and

¹³³ “Hu Jintao Calls for Enhancing ‘Soft Power’ of Chinese Culture”, *Beijing Review*, 15.10.2007, http://www.bjreview.com.cn/17thCPC/txt/2007-10/15/content_80539.htm

¹³⁴ “China’s Peaceful Development”, Information Office of the State Council The People’s Republic of China, 6.09.2011, https://english.www.gov.cn/archive/white_paper/2014/09/09/content_281474986284646.htm

¹³⁵ Brushing refers to the deceitful act of creating fake orders, reviews, followers, and likes to boost sales.

¹³⁶ “中华人民共和国电子商务法”, 中华人民共和国中央人民政府, 31.08.2018, https://www.gov.cn/xinwen/2018-08/31/content_5318220.htm

¹³⁷ „明确了! ‘铁拳’行动! 重点打击这一行为”, 央视财经, 20.04.2023, <https://china.huanqiu.com/article/4CZSMGIY3QD>

¹³⁸ “Annual Report on China’s Combating of IPR Infringement and Counterfeiting”, Office of the National Leading Group on Coordinated Implementation of Building a Quality-powered Nation, (2022): 37

¹³⁹ Natalie Wang, “Breaking: DBR Lafite awarded RMB 80 million in landmark trademark win in China”, *Vino Joy News*, 02.02.2024, <https://vino-joy.com/2024/02/02/breaking-dbr-lafite-awarded-rmb-80-million-in-landmark-trademark-win-in-china/>

¹⁴⁰ Yuan Shenggao, “French winemaker Lafite wins trademark infringement case”, *China Daily*, 15.03.2018, https://www.chinadaily.com.cn/cndy/2018-03/15/content_35852718.htm

IP rights protection.¹⁴¹ SAMR has cleared more than 4,000 links to IP rights infringing and pirating standard products on e-commerce platforms, and shut down 12 IP rights infringing standard websites. More detailed information on the laws, bills and actions carried in order to provide better protection of IP, can be found in “Annual Report on China’s Combating of IPR Infringement and Counterfeiting” (2022).

The efforts to reduce criminal activity of counterfeiters that could be a shadow on the China’s image overlap with the need of attracting foreign investments in China. In 2025, fresh new action plan has been launched.¹⁴² It is aimed to enhance foreign investments. Chinese government openly revealed the will of gaining more foreign business partners. Among many measures, the action plan formulates the need of building “Invest in China” brand, fully activating bilateral investment promotion. Interestingly, the plan noted that realization of its objectives must be done via continuously optimizing the business environment and effectively implementing the national treatment for foreign-invested enterprises. This statement stays in accordance with the recent actions taken by China. It is from the moment when China entered the World Trade Organization that the international pressure on keeping the standards of trade and fulfilling the treaties’ obligations have increased. Not only organizations, but states themselves press China on stopping the counterfeiting phenomenon. USA have launched „Notorious Markets List”, where in 2022 *WeChat* has been identified as e-commerce ecosystem as one of the largest platforms for counterfeit goods in China.¹⁴³ Facing this accuses, China’s response must be based on the actions it has taken to countermeasure the notorious leadership.

¹⁴¹ Ibidem: 38

¹⁴² “China rolls out action plan to elevate foreign investment levels”, The State Council of People’s Republic of China, 20.02.2025, https://english.www.gov.cn/policies/latestreleases/202502/20/content_WS67b69d35c6d0868f4e8efd15.html

¹⁴³ “2022 Review of Notorious Markets for Counterfeiting and Piracy”, Office of the United States Trade Representative, 31.01.2023, <https://ustr.gov/about-us/policy-offices/press-office/press-releases/2023/january/ustr-releases-2022-review-notorious-markets-counterfeiting-and-piracy>

The ongoing efforts (mentioned above) are -among others - supposed to demonstrate China's commitment to upholding intellectual property protections in its markets.

Another political dimension of China's wine industry can be found in anti-corruption campaign launched by Xi Jinping in 2012. When leaders fight corruption, as they fight poverty and unemployment, they hope to signal their responsiveness and benevolent intentions to the public, and therefore to garner more public support.¹⁴⁴ Though the purpose of campaign is more ambiguous, Xi's actions have undoubtedly stricken individual officials accumulating the illicit wealth. This is when the wine appears. Officials and entrepreneurs seek for building solid relationships. To build this relationship, it has almost become obligatory that those seeking favors offer banquets or ostentatious gifts to officials who are in positions to grant them.¹⁴⁵ As a part of the campaign, Xi Jinping has banned officials from „lavish gifts” giving, those very often were imported luxurious products, e.g. fine wine, especially *Bordeaux Premier Cru Classe* and *Grand Cru Burgundy*.¹⁴⁶ Since a lot of the money being used to purchase wine in China was state money — high-ranking officials in state-owned enterprises oiling the wheels of business, Xi's ban has had a very significant impact on the market.¹⁴⁷ The sales of fine wines in China has dropped almost immediately after the Anti-Extravagance measures have been introduced.¹⁴⁸ Even if not directly connected to wine counterfeiting, this shows that wine regulations in China often mirror political agendas. Corruption is partially responsible for state's inefficiency and counterfeiting surely is a part of the problem. In order to have clockwork apparatus, Chinese government must take steps against counterfeiting. Efforts of custom

¹⁴⁴ Yuhua Wang, Bruce J. Dickson, “How corruption investigations undermine regime support: evidence from China”, *Political Science Research and Methods*, Vol. 10 (2022): 32-35, doi:10.1017/psrm.2021.27

¹⁴⁵ Yang Shu, Jiayao Cai, “Alcohol Bans: Can they reveal the effect of Xi Jinping's anti-corruption campaign?”, *European Journal of Political Economy*, Vol. 50 (2017): 38, <https://doi.org/10.1016/j.ejpoleco.2017.09.004>

¹⁴⁶ „D2: Wine Business”, WSET Level 4 Diploma in Wines, Wine and Spirit Education Trust (2023): 8

¹⁴⁷ Aaron Timms, “Fine Wine Market Has Hangover from China's Corruption: Crackdown”, Institutional Investor, 28.02.2014, <https://www.institutionalinvestor.com/article/2bsumxlj15phei08mzvvgg/portfolio/fine-wine-market-has-hangover-from-chinas-corruption-crackdown>

¹⁴⁸ „D2: Wine Business”, WSET Level 4 Diploma in Wines, Wine and Spirit Education Trust (2023): 8-9

authorities and police have been praised, increased amount of anti-alcohol counterfeiting crackdowns have been noticed.¹⁴⁹ What's more, there is a correlation between the thirst for luxury wines and the amount of French fine wines' labels being counterfeited – because French wines are the one particularly targeted.¹⁵⁰

Successful state authorities and effective countermeasures may influence not only in international politics' strategies to improve the image of the country, but also inward – on the national level. Against the common view that public opinion in China is shaped by Party's propaganda, people in China have diverse and well-formed view. The government needs to struggle to gain supportive opinion of the national public. Exposing efficient countermeasures can project the positive image on Chinese community. Suspected aim of improving national image of the Party which lays under countermeasures has been clearly described by Xi himself. In his speech at Secon Plenary Session in 2013 he draws straight connotation between anti-corruption action and winning support of people. „People hate corruption and privileges the most, so we must be determined to fight against corruption to win support from the people” – he emphasized.¹⁵¹

Better understanding of the role of public opinion and ideological views in China could provide valuable insight into factors driving Chinese policymaking. Two Stanford professors Pan and Xu's research¹⁵² revealed the unexpected breadth of views on issues related to politics, the economy, and nationalism; and the systematic variation in opinion. Though surveys have limitations, namely the authenticity of the responses, even if there are methods to construct the questions in the way to gain the sincere response, the results should be taken with a dose of

¹⁴⁹ Anqi Shen, “Being Affluent, One Drinks Wine: Wine Counterfeiting in Mainland China”, *IJCJ&SD*, Vol.7 No.4, (2018):25, doi: 10.5204/ijcjsd.v7i4.1086.

¹⁵⁰ *Ibidem*: 19

¹⁵¹ „习近平：人民最痛恨消极腐败现象 必须下最大气力解决”，人民网-时政频道，12.01.2015, <http://politics.people.com.cn/n/2015/0112/c1001-26365739.html>

¹⁵² Iaria Mazzocco, Scott Kennedy, “Chinese Public Opinion Matters”, Big Data China, 09.02.2022, <https://bigdatachina.csis.org/public-opinion-in-china-a-liberal-silent-majority/>

skepticism. However, China's public opinion is not immutable. It reacts to many government's strategies, one of which gain big impact was mentioned before Xi's anti-corruption campaign. It turned out, that anti-corruption investigations are a double-edged sword—they signal the regime's commitment to clean governance, but in the process they also reveal the scale of the problem¹⁵³.

Counterfeiting though a China's malady, can be also used as a bargaining chip. In recently resurged war trade between China and USA, counterfeits are a political weapon in Chinese government's hands. In response to Donald Trump's high tariffs, Chinese industry is ready to flood the market with false goods. As the authentic products' prices rise, so does demand for the counterfeited goods. With Beijing's go-ahead, TikTok has been filled with manufacturers' videos revealing the secrets of luxury brands' production and its cost, encouraging people to buy counterfeits or knock-off directly from the producer.¹⁵⁴ So while the tensions are escalating, nimble counterfeiters who dodge regulations could soon have an access to a golden opportunity, as customers start to look for cheaper (and often questionable) alternative.¹⁵⁵

Protecting own wine industry is another angle of wine counterfeiting countermeasures. Along with the success of foreign wine brands, local wine makers started to make their effort to participate in booming industry. Adding China to the compendium of WSET, Robert Parker awarding Chinese wine for the first time with a high score of 95 points¹⁵⁶ or recent China's joining to OIV all make a mosaic of newly surging Chinese wine industry. It has been proved

¹⁵³ Yuhua Wang, Bruce J. Dickson, "How corruption investigations undermine regime support: evidence from China", *Political Science Research and Methods*, Vol. 10 (2022): 45-46, doi:10.1017/psrm.2021.27

¹⁵⁴ "Trump tariffs: Chinese manufacturers flood TikTok with videos of how luxury brands make in China", *Financial Express*, 14.04.2025, <https://www.financialexpress.com/world-news/trump-tariffs-on-china-backfires-tiktok-flooded-with-videos-of-luxury-brands-chinese-manufacturing/3809085/>, "The reason China is pushing videos of 'overpriced' Western luxury brands", *First Post*, 14.04.2025, <https://www.firstpost.com/world/is-china-knocking-down-value-of-luxury-brands-america-loves-to-buy-13879888.html>

¹⁵⁵ Rowel Barba, „Counterfeiters winning trade war?“, *Daily Tribune*, 14.04.2025, <https://tribune.net.ph/2025/04/14/counterfeiters-winning-trade-war>

¹⁵⁶ Robert Parker – official website, <https://winejournal.robertparker.com/tag/china>

that Chinese wine can be competitive and even if still not enjoying the reputation equal to Old World wines, Chinese wine makers have reduced the gap remarkably in XXIst century. Counterfeiters can seriously harm wine import, but also the domestic wine industry, position of which is still unstable. According to data provided by China Alcoholic Drinks Association, domestic wine production reached 300 million liters in 2023, what signalizes halting of previously downward trajectory.¹⁵⁷ Since numbers of losses are considerable - counterfeit wine affects up to 20% of the global \$350 billion wine industry,¹⁵⁸ one can easily draw the parallel and see the potential pejorative effect of wine counterfeiting on Chinese domestic production. In order to create best environment for local Chinese wineries to grow, the government must be aware of the need of reducing the hindering factors, among which counterfeiting and its magnitude is the key one. Due to its clandestine nature, evaluation of the scale of losses can be just roughly estimated, there are no official statistics available. However, in 2002, it was estimated that counterfeits comprised around 57%, and a decade later even 70%, of total amount of wine sold in China.¹⁵⁹ Counterfeiters “steal” an impressive part of wine producer’s “cake”. Hence, an imposing an effective wine counterfeiting countermeasure mechanism is going to be beneficial for local wine makers. In long-term overview it can improve the reputation of the government and provide some economic growth.

¹⁵⁷ “China’s Wine Industry: Market Analysis Report”, Chemlinked, 16.08.2024, <https://market.chemlinked.com/report/uncorking-chinas-wine-industry-challenges-and-opportunities>

¹⁵⁸ Source Certain – official website, <https://www.sourcecertain.com/industries/wine/>

¹⁵⁹ Anqi Shen, “Being Affluent, One Drinks Wine: Wine Counterfeiting in Mainland China”, *IJCJ&SD*, Vol.7 No.4, (2018):19, doi: 10.5204/ijcjsd.v7i4.1086.

Conclusions. Counterfeit wines cost the industry \$3 billion annually, according to EU Intellectual Property Office,¹⁶⁰ though some experts, like world famous fake wine buster Maureen Downey, claim the number to be higher: even up to 50% of wines in China market can be falsified.¹⁶¹ The findings of this research confirm that wine counterfeiting countermeasures in China are political in nature and discovers Chinese characteristics of the phenomenon, such as low consumer knowledge, the prevalence of e-commerce platforms, and the scale of counterfeiting—are rooted in specific cultural, historical, and institutional conditions. Emerging class of wealthy Chinese has tighten country’s connections with the most prestigious players on the wine stage (especially fine French wines). The failure of those many bilateral wine businesses, rise of the domestic wineries and global trends have provoked decline in China’s wine interest. In consequence, remaining wine thirst became a source of quick profit for wine forgers.

China’s relatively recent embrace of Intellectual Property protections, its evolving legal frameworks, and differing interpretations of rights concepts have created a complex environment in which counterfeiting thrives. Although Chinese customers believe that counterfeiting is unethical, they are unaware of the potential damages posed by counterfeits to the society aside from Intellectual Property rights (Qiwen Wu, 2023).

Wine counterfeiting countermeasures are not only an economic and legal issue but a matter deeply intertwined with China's broader political goals—both domestically and internationally. Internationally, the Chinese government seeks to enhance its global image, attract foreign investment, and deflect criticisms from countries like the U.S., which routinely

¹⁶⁰ Dubois D., “The Curated Revolution: Connecting people with Fine Wines through Blockchain Technology”, Insead, 2023: 4

¹⁶¹ Jeannie Cho Lee, “How To Avoid Buying Fake Wine”, Forbes, 22.01.2017, <https://www.forbes.com/sites/jeanniecholee/2017/01/22/how-to-avoid-buying-fake-wine/?sh=b18e9849daaf>

spotlight China in reports like the “Notorious Markets List.” Nationally, anti-counterfeiting efforts are aligned with Xi Jinping’s anti-corruption campaign, which has significantly impacted luxury wine markets, curbed extravagant gifting, reasserted the state’s moral authority and reduced misuse of public funds. In addition, these efforts reflect the state’s attempt to consolidate support from an increasingly opinionated public. Beside national programmes launched (e.g. Iron Feast), the government has given attention to both, existing laws and the Cybersecurity. SAMR has detected multiple deceptive websites and sellers. Recognizing so-called “brushing” as illegal has been a milestone in creating safer online shopping environment in China. Since joining WTO and OIV, China is obligated to follow international standards of trade imposed by those institutions. Emerging as a key player in wine industry, it has a good reasons to protect Intellectual Property, otherwise due to lack of this protection, foreign investors might be less willing to use Chinese companies as a cog in their manufacturing wheel, and thus, Chinese companies would be given fewer opportunities to take advantage of their strengths. That might explain the recent focus that the state has given to the IP issue, and the victorious trademark cases of *Lafite Rothschild* are the evidence of that. Nevertheless, the latest changes in the Regulations of the State Council on the Settlement of Foreign-Related Intellectual Property Disputes are alarming. The Intellectual Property has been carved into new tool of propaganda, what connotating the IP rights with national pride and security against the foreign influence proves. Moreover, in the broader context of geopolitical competition - since Donald Trump’s aggressive trade policy with China has taken a new turn recently - counterfeit goods serve as both a liability and a potential instrument of soft retaliation. By regulating counterfeit markets selectively, the Chinese government demonstrates its ability to use enforcement as a diplomatic tool. The growing tension can obstruct the effective IP protection and lead to Chinese protest on effective fight against the counterfeiting. Finally, protecting the domestic wine industry—still in a developmental phase—adds another layer of political

significance. Counterfeit wine endangers both imported and local products, and reducing this threat serves China's economic and reputational goals. Combating counterfeiting, then, becomes a vehicle for nurturing not just industry, but legitimacy, reputation, and influence.

Beside countermeasure steps taken by the Chinese government, producers themselves make use of various technologies to protect their product. Anticounterfeiting strategies that companies direct toward consumers typically focus on communication, pricing, or the strengthening control over the bottle after it leaves the winery. Blockchains, smart tags, NFC technology are among methods that producers use the most eagerly. My correspondence with the representatives of Italian wine industry has revealed a remarkable and new kind of wine communities growing online. It is exactly from the need of better protection from wine counterfeiting, that new type of trade platforms have emerged. *Crurated* is an example of the response to illicit wine spread, by creating the wine community founded on direct connection with wineries and delivery monitoring system, *Crurated* becomes the sign of new anti-counterfeiting revolution in the wine industry.

By highlighting the deeply intertwined relationship between market regulation and political control, this research offers a novel contribution to the fields of political economy, food and beverage regulation, and Chinese governance studies. It provides a profound insight into Chinese wine history, revealing the way it impacts the recent wine boom and decline in China. It also calls for a more nuanced understanding of how states use anti-counterfeiting frameworks to navigate legitimacy, international reputation, and domestic governance challenges.

BIBLIOGRAPHY

I Literature

- Brink G., “Fake Reviews in Chinese E-Commerce The Case of Wine”, Master’s Degree diss., Tampere University of Applied Sciences, 2022.
- Crawford G., “Agricultural origins in North China pushed back to the Pleistocene–Holocene boundary”, *PNAS* 106, no. 18 (June 2009): 7271-210.1073/pnas.0903375106
- Danese P., Mocellin R., Romano P., “Designing blockchain systems to prevent counterfeiting in wine supply chains: a multiple-case study”, *International Journal of Operations & Production Management* 41, no. 13 (February 2021): 1-33, 10.1108/IJOPM-12-2019-0781
- Dobbelstein T., Pepuere P., “Deceptive counterfeiting and purchase intention towards products in anti-counterfeit packaging: an empirical investigation in Sub-Saharan Africa”, *Journal of Applied Leadership and Management* vol.7, (2019): 19-30, <https://www.journal-alm.org/article/view/19963>
- Dubois D., *The Crurated Revolution: Connecting people with Fine Wines through Blockchain Technology*, Insead, 2023.
- Dwi Azizah F., Nirwana N. A., Kusuma Putra A., „Impulsive Buying Behavior: Implementation of IT on Technology Acceptance Model on E-Commerce Purchase Decisions”, *Golden Ratio of Marketing and Applied Psychology of Business* 2, no.2 (2022), <http://dx.doi.org/10.52970/grmapb.v2i1.173>
- „D2: Wine Business”, WSET Level 4 Diploma in Wines, Wine and Spirit Education Trust, 2023.
- Fleming D., „Counterfeiting in China”, *East Asia Law Review* 10, no.2 (November 2014): 14-34
- Gong W., “A Historical Survey of Chinese Wine Culture”, *Journal of Popular Culture* 27, no. 2 (September 1993): 57-73, ISSN: 1540-5931
- Goodmand S., Lia H., Wang H., Lia H., , Van der Leed P., Xuc Z., Fortunatoa A.,Yanga P., “The worlds of wine: Old, new and ancient”, *Wine Economics and Policy*, 7, no. 2 (December 2018): 178-182, <https://doi.org/10.1016/J.WEP.2018.10.002>
- Ho H. ,“Twenty-first Century Wine Consumption Trends in East Asia : History, Luxury and Transformation”, *Journal of Cultural Analysis and Social Change* 6, no. 2 (December 2021): 2-16, 10.20897/jcasc/11450

- „Internet and Social Media in the Chinese wine market”, *Wine Intelligence* by WSET, 2017.
- Kjellgren B., “Drunken modernity: wine in China”, *Anthropology of Food: Wine and Globalization* 3, no. 3 (December 2024), <https://doi.org/10.4000/aof.249>
- Puttini E., “Trademark counterfeiting: A comparative analysis between Chinese and Italian legislation, with a focus on the recent Ermenegildo Zegna”, Master’s Degree diss., Ca’Foscari University, 2019.
- Radonjić S., Šandi S., Drobnjak J., Simeunović M., “Smart Tags for Brand Protection and Anti-Counterfeiting in Wine Industry”, 23rd International Scientific-Professional Conference on Information Technology (IT), Žabljak, (2018), 10.1109/SPIT.2018.8350849
- Rivoltella P., “Digital Literacy: Tools and Methodologies for Information Society”, New York: IGI Publishing, 2008.
- Roselius T., “Consumer Rankings of Risk Reduction Methods”, *Journal of Marketing* 35, no. 1 (January 1971): 56-61, <https://www.jstor.org/stable/1250565>
- Shen A., “Being Affluent, One Drinks Wine: Wine Counterfeiting in Mainland China”, *International Journal for Crime, Justice and Social Democracy* 7, no.4 (December 2018): 16-32, 10.5204/ijcjsd.v7i4.1086.
- Shu Y., Cai J., “Alcohol Bans: Can they reveal the effect of Xi Jinping's anti-corruption campaign?”, *European Journal of Political Economy* 50, (December 2017): 37-51 <https://doi.org/10.1016/j.ejpoleco.2017.09.004>
- Soon J., Manning L., ”Developing anti-counterfeiting measures: the role of smart packaging”, Master’s Degree diss., University of Central Lancashire, 2019, <https://doi.org/10.1016/j.foodres.2019.04.049> Date 2019
- Stein A., *On Ancient Central Asian Tracks*, New York: Patheon Books, 1964.
- Thorpe M., “The globalization of the wine industry: new world, old world and China”, *China Agricultural Economic Review* 1, no. 3 (May 2009): 301-313, <https://doi.org/10.1108/17561370910958873>
- Wang Y, Dickson B., “How corruption investigations undermine regime support: evidence from China”, *Political Science Research and Methods*, Vol. 10 (July 2022): 33-48, 10.1017/psrm.2021.27
- Xia X., “History of Chinese Medicinal Wine”, *Chinese Journal of Integrative Medicine* 19, no. 7 (July 2011): 549-55, 10.1007/s11655-010-0799-7
- Xue P., “The merchants of Chang’an in the Sui and Tang dynasties”, *Frontiers of History in China* 2, (June 2006): 254–275, <https://doi.org/10.1007/s11462-006-0005-1>
- Yang C., Song R., Ding Y., Zhang L., Wang H., Li H., *Review on Legal Supervision System of the Chinese Wine Industry*, (May 2022): 432, 10.3390/horticulturae8050432

Zhang J., “Rituals, discourses, and realities: Serious wine and tea tasting in contemporary China”, *Journal of Consumer Culture* 20, no. 4 (May 2020): 637-655, 10.1177/1469540518773812

Zheng X., Zhu S., Lin Z., “Capturing the essence of word-of-mouth for social commerce: Assessing the quality of online e-commerce reviews by a semi-supervised approach”, *Decision Support Systems* 56 (December 2013): 211–222, 10.1016/j.dss.2013.06.002

II. Documents

Annual Report on China’s Combating of IPR Infringement and Counterfeiting, Office of the National Leading Group on Coordinated Implementation of Building a Quality-powered Nation, (2022)

“China’s Peaceful Development”, Information Office of the State Council The People’s Republic of China, 6.09.2011, https://english.www.gov.cn/archive/white_paper/2014/09/09/content_281474986284646.htm

“China rolls out action plan to elevate foreign investment levels”, The State Council of People’s Republic of China, 20.02.2025, https://english.www.gov.cn/policies/latestreleases/202502/20/content_WS67b69d35c6d0868f4e8efd15.html

Patent Law of the People's Republic of China, China National Intellectual Property Administration, accessed 07.05.2025, <https://english.cnipa.gov.cn/col/col3068/index.html>

“2022 Review of Notorious Markets for Counterfeiting and Piracy”, Office of the United States Trade Representative, 31.01.2023, <https://ustr.gov/about-us/policy-offices/press-office/press-releases/2023/january/ustr-releases-2022-review-notorious-markets-counterfeiting-and-piracy>

The Globalization of Crime: A Transnational Organized Crime Threat Assessment, The United Nation Office on Drugs and Crime, (2010)

„Guowuyuan guanyu shewai zhishi changquan jiufen chuli de guiding”, „国务院关于涉外知识产权纠纷处理的规定”, [State Council’s regulation on approach to foreign Intellectual Property dispute], Zhongguo zhengfu wang, 中国政府网 19.03.2025, https://www.gov.cn/zhengce/content/202503/content_7014486.htm

“Zhonghua Renmin Gongheguo dianzi shangwu fa”, “中华人民共和国电子商务法”, [E-commerce Law of People’s Republic of China], Zhongguo Renmin Gongheguo Zhongyang Renmin Zhengfu, 中国人民共和国中央人民政府, 31.08.2018, https://www.gov.cn/xinwen/2018-08/31/content_5318220.htm

III. Internet sources

“All about DOCa Rioja: history, certifications, and classifications”, Rioja Wine, accessed 16.05.2025, <https://riojawine.com/en/the-designation/>

Barba R., „Counterfeiters winning trade war?”, Daily Tribune, 14.04.2025, <https://tribune.net.ph/2025/04/14/counterfeiters-winning-trade-war>

Changyu Pioneer Wine – official website, accessed 28.04.2025, <https://en.changyu.com.cn/category/xinwendongtai/>

“China’s Wine Industry: Market Analysis Report”, Chemlinked, 16.08.2024, <https://market.chemlinked.com/report/uncorking-chinas-wine-industry-challenges-and-opportunities>

“Countries with the Highest Trade in counterfeit goods rate in the World - The Organized Crime Index”, accessed 08.04.2025, https://ocindex.net/rankings/trade_in_counterfeit_goods?f=rankings&view=List

Croidieu G., „An inconvenient truce: cultural domination and contention after the 1855 Médoc wine classification event”, *Negotiating Values in the Creative Industries Fairs, Festivals and Competitive Events*, (2011), <https://doi.org/10.1017/CBO9780511790393.013>

“Degree of urbanization in China in selected years from 1980 to 2024”, Statista accessed 17.03.2025, <https://www.statista.com/statistics/270162/urbanization-in-china/>

“Digital buyer penetration in China from 2017 to 2022”, Statista, accessed 26.03.2025, <https://www.statista.com/statistics/261661/digital-buyer-penetration-in-china/>

Ebay.nl, <https://www.ebay.nl/>

Foot A., “Top 20 ecommerce marketplaces in the world in 2025”, Channel Engine, accessed 14.06.2025, <https://www.channelengine.com/en/blog/worlds-top-marketplaces>

“French bust 'vintage wine scam’”, 23.10.2013, <https://www.bbc.com/news/world-europe-24637689>

“French Wine Classification and the History of L'Appellation d'origine contrôlée (AOC): Everything You Need to Know”, Sommdigi, accessed 08.04.2025, <https://sommdigiblog.com/wine-countries/french-wine-classification-and-the-history-of-lappellation-dorigine-contrle-aoc-everything-you-need-to-know>

Green M., “Chinese fraudster jailed for five years for bottling fake Lafite and Petrus”, Decanter, 3.05.2024, <https://www.decanter.com/wine-news/chinese-fraudster-jailed-for-five-years-for-bottling-fake-lafite-and-petrus-528577/>

“Hu Jintao Calls for Enhancing ‘Soft Power’ of Chinese Culture”, Beijing Review, 15.10.2007, http://www.bjreview.com.cn/17thCPC/txt/2007-10/15/content_80539.htm

- International Trade Administration, accessed 8.04.2025, [https://www.trade.gov/country-commercial-guides/china-ecommerce#:~:text=In%202021%2C%20China%20became%20the,ahead%20of%20the%20United%20States.&text=Alibaba's%20Taobao%20and%20Tmall%2C%20\(50.8,dominate%20China's%20e%2Dcommerce%20market](https://www.trade.gov/country-commercial-guides/china-ecommerce#:~:text=In%202021%2C%20China%20became%20the,ahead%20of%20the%20United%20States.&text=Alibaba's%20Taobao%20and%20Tmall%2C%20(50.8,dominate%20China's%20e%2Dcommerce%20market)
- “It’s official: China joins the International Organization of Vine and Wine”, Gambero Rosso, 18.11.2024
<https://www.gamberorossointernational.com/news/its-official-china-joins-the-international-organisation-of-vine-and-wine/>
- Labouré-Roi, accessed 03.03.2025, <https://www.laboure-roi.com/en/our-maison.r-721/#r856>
- “La legislazione sui vini italiani”, Delta del Vino, 18.02.2025
<https://deltadelvino.com/la-legislazione-sui-vini-italiani>
- Larcher T., How a French winemaker put the world’s biggest wine fraudster in jail, The Connexion, 29.01.2024, <https://www.connexionfrance.com/news/how-a-french-winemaker-put-the-worlds-biggest-wine-fraudster-in-jail/622044>
- Leder M., „Le leggi e le norme sul vino”, *Quattro Calici*, accessed 14.05.2025,
<https://www.quattrocalici.it/conoscere-il-vino/legislazione-e-norme/>
- Lee J., “How To Avoid Buying Fake Wine”, Forbes, 22.01.2017,
<https://www.forbes.com/sites/jeanniecholee/2017/01/22/how-to-avoid-buying-fake-wine/?sh=b18e9849daaf>
- Li D., „Chinese wine regions”, Decanter China, accessed 07.06.2024,
<https://www.decanterchina.com/en/regions/china/>
- Lingfeng L., ”The Union of Chinese Winemakers Association Founded”, Winechina.com, 22.04.2016, <http://www.winechina.com/html/2016/04/201604284504.html>
- “Massive Chinese Counterfeit Wine Ring Busted with 7,000 Fake Cases”, The Wine Cellar Insider, accessed 13.03.2025,<https://www.thewinecellarinsider.com/2013/08/massive-chinese-wine-counterfeiting-ring-busted-7000-fake-cases/>
- Mazzocco I., Kennedy S., “Chinese Public Opinion Matters”, Big Data China, 09.02.2022, <https://bigdatachina.csis.org/public-opinion-in-china-a-liberal-silent-majority/>
- Mercer C., “French watchdog details ‘massive’ misuse of Rhône and Châteauneuf names”, 19.03.2018
<https://www.decanter.com/wine-news/french-watchdog-rhone-chateauneuf-fraud-386463/>
- Misior M., “Winne fałszerstwa”, Nasze-wina.pl, accessed 03.04.2025, <https://www.nasze-wina.pl/nw/pages/winnefałszerstwa-czesc-I/>

- “Millions of Spanish wine bottles sold off as French rosé”, 09.07.2018,
<https://www.bbc.com/news/world-europe-44764880>
- Nowicki M., „Wywiad: Piotr Stopczyński. Czy można sfalszować wino?”, Ferment,
 14.08.2024, <https://fermentmag.pl/wywiad-piotr-stopczynski-czy-mozna-sfalszowac-wino/>
- “Number of online shoppers in China from 2014 to 2024 (in millions)”, Statista, accessed
 22.03.2025,
<https://www.statista.com/statistics/277391/number-of-online-buyers-in-china/>
- Okraszewski M., “Czy na winie zarabiają już tylko oszusti (Dzialsplanning#504)”, Dział
 Zagraniczny, YouTube video, 18:44, 24.10.2024,
<https://www.youtube.com/watch?v=JHK8vH1hvao&t=544s>
- Pechinski A., “Grapes of Wrath – Why Argentina and Brazil are Awash in Smuggled Wine”,
 Insight Crime, 27.03.2021, <https://insightcrime.org/news/grapes-wrath-brazil-argentina-awash-smuggled-wine/>
- Plane D., “Procedures and strategies for anti-counterfeiting: China”, *World Trademark
 Review*, 23.04.2020, <https://www.worldtrademarkreview.com/global-guide/anti-counterfeiting-and-online-brand-enforcement/2020/article/procedures-and-strategies-anti-counterfeiting-china>
- Rekowski M., „Największe fałszerstwa wina – Rudy Kurniawan na wolności”, Winnica
 Profesora, accessed 25.04.2025 <https://winnicaprofesora.pl/ciekawostki/najwieksze-falszerstwa-wina-rudy-kurniawan-na-wolnosci/>
- Robert Parker – official website, accessed 16.05.2025,
<https://winejournal.robertparker.com/tag/china>
- Robinson J., „Oak chips may be used throughout Europe”, accessed 8.05.2025,
<https://www.jancisrobinson.com/articles/now-that-oak-chips-etc-may-be-used-throughout-europe>,
- Snopkiewicz M., „Rozbito międzynarodową grupę fałszującą hiszpańskie wina Rioja.
 Kluczowa rola konsumenta w wykryciu oszustwa”, Food Fakty, accessed 17.03.2025
<https://foodfakty.pl/rozbito-miedzynarodowa-grupe-falszujaca-hiszpanskie-wina-rioja-kluczowa-rola-konsumenta-w-wykryciu-oszustwa>
- Source Certain – official website, accessed 19.04.2025,
<https://www.sourcecertain.com/industries/wine/>
- „The Most Important Websites for Wine Sales in China”, China Wine Competition,
 20.11.2020, <https://chinawinecompetition.com/en/blog/insights-1/the-most-important-websites-for-wine-sales-in-china-131.htm>
- “The rise, growth, and collapse of the Chinese Wine Market: a parable of consumption
 explained by an importer”, Gambero Rosso, accessed 07.06.2025,

<https://www.gamberorossointernational.com/news/the-rise-growth-and-collapse-of-the-chinese-wine-market-a-parable-of-consumption-explained-by-an-importer/>

“The reason China is pushing videos of 'overpriced' Western luxury brands”, First Post, 14.04.2025,
<https://www.firstpost.com/world/is-china-knocking-down-value-of-luxury-brands-america-loves-to-buy-13879888.html>

“The Wine That Never Was: How a \$1 Billion Pyramid Scheme Used Fine Wine as Bait”, VINO Joy News 14.08.2024, <https://vino-joy.com/2024/08/14/the-wine-that-never-was-how-a-1-billion-pyramid-scheme-used-fine-wine-as-bait/>

Timms A., “Fine Wine Market Has Hangover from China’s Corruption: Crackdown”, Institutional Investor, 28.02.2014,
<https://www.institutionalinvestor.com/article/2bsumxlj15pypi08mzvvgg/portfolio/fine-wine-market-has-hangover-from-chinas-corruption-crackdown>

“Top Chinese Influencer, Lady Penguin, Steps Back. End of an Era?”, Meininger’s International, 16.10.2024,
<https://www.meiningers-international.com/wine/insights/top-chinese-influencer-lady-penguin-steps-back-end-era>

“Top Online Marketplaces Worldwide by GMV (2024)”, Oberlo, accessed 31.05.2025,
<https://www.oberlo.com/statistics/top-online-marketplaces-worldwide-by-gmv>

Transparency International, accessed 02.02.2025,
<https://www.transparency.org/en/countries/china>

“Trump tariffs: Chinese manufacturers flood TikTok with videos of how luxury brands make in China”, Financial Express, 14.04.2025, <https://www.financialexpress.com/world-news/trump-tariffs-on-china-backfires-tiktok-flooded-with-videos-of-luxury-brands-chinese-manufacturing/3809085/>

Wang N., “Breaking: DBR Lafite awarded RMB 80 million in landmark trademark win in China”, VINO Joy News, 02.02.2024, <https://vino-joy.com/2024/02/02/breaking-dbr-lafite-awarded-rmb-80-million-in-landmark-trademark-win-in-china/>

“China’s leading e-retailer in ‘fake’ Lafite scam”, The Drinks Business 08.02. 2017, <https://www.thedrinksbusiness.com/2017/02/chinas-leading-e-retailer-caught-selling-fake-lafite/>

“China’s Wine Paradox: Boom, Bust, and What Now?”, VINO Joy News, 29.11.2024,
<https://vino-joy.com/2024/11/29/chinas-wine-paradox-boom-bust-and-what-now/>

“Taiwan authorities bust fake Argentine wine company”, The Drinks Business 08.02.2018, <https://www.thedrinksbusiness.com/2018/02/taiwan-authorities-bust-fake-argentine-wine-company/>

“Wine consumption volume in China from 2014 to 2024”, Statista, accessed 19.05.2025,
<https://www.statista.com/statistics/425098/china-wine-consumption/>

- “Wine counterfeiters busted in Italy for selling bottles of fake wine for EUR 15 000”, Europol, 15.10.2024, <https://www.europol.europa.eu/media-press/newsroom/news/wine-counterfeiters-busted-in-italy-for-selling-bottles-of-fake-wine-for-eur-15-000>
- “Wine industry in China - statistics & facts”, accessed 25.04.2025 <https://www.statista.com/topics/5036/wine-industry-in-china/#editorsPicks>
- “Wine Producing Countries 2025”, accessed 02.04.2025 <https://worldpopulationreview.com/country-rankings/wine-producing-countries#top-10-wine-producing-countries-in-the-world-thousand-liters>
- Wine searcher, accessed 14.05.2025, https://www.wine-searcher.com/merchant/16517-y18-elegant-spirits-ltd?wine_id_F=685679955
- „Wino ekologiczne, wino DOC, wino IGT”, Alert Zafałszowań FoodFakty - Probase360, accessed 17.03.2025, <https://foodfakty.pl/falszowanie-wina-powodem-aresztowania-jedenastu-osob>
- World Trade Organization, accessed 02.04.2025, https://www.wto.org/english/thewto_e/countries_e/china_e.htm
- Wytsma K., “An Untold Story: The History of Wine in Chinese Culture”, This Day in Wine History, 22.01.2025, https://thisdayinwinehistory.com/the-history-of-chinese-wine/#_ftn1
- Xinhua, “China's Position on Some Issues Concerning China-US Economic and Trade Relations”, The State Council Information Office of The People’s Republic of China, 09.04.2025, http://english.scio.gov.cn/whitepapers/2025-04/09/content_117814362_4.html
- Yuan S., “French winemaker Lafite wins trademark infringement case”, China Daily, 15.03.2018, https://www.chinadaily.com.cn/cndy/2018-03/15/content_35852718.htm
- Zhou D., „Wine Market in China: Trends, Growth, and Consumer Preferences”, 08.04.2024, MSA, <https://msadvisory.com/wine-market-in-china/>
- Fan, Feng, 冯帆, “Zhongguo gedi putaojiuxiehui lianshou cujin xiaoshou”, “中国各地葡萄酒协会联手促进销售”, [China’s various wine associations collaborate in promoting sells], Decanter China, 30.04.2015 <https://www.decanterchina.com/zh>
- „Jiao ni bianbie zhenjia Benfu de xiao mijue!”, „教你辨别真假奔富的小秘诀!”, [Gonna teach you all the small secrets of distinguishing false Penfolds from the real one], Lookvin, 30.06.2017, <https://www.lookvin.com/article/news/detail-42690.html>

„Mingque le! „Tiequan” xingdong! Zhongdiandaji zhe yi xingwei, yangshi caijing” „明确了! “铁拳”行动! 重点打击这一行为, 央视财经”, [It’s clear! The “Iron Fist” movement! With striking these type of acts as the focus, CCTV – finance and economics], 20.04.2023,
<https://china.huanqiu.com/article/4CZSMGIY3QD>

“Xi Jinping: renmin zui tonghen ji fubai xianxiang bixu xia zui da qili jiejie”, „习近平: 人民最痛恨消极腐败现象 必须下最大气力解决”, [Xi Jinping: people’s most detested extreme corruption phenomenon must be solved with the biggest effort and strength], Renmin wang – shizheng pindao, 人民网-时政频道, 12.01.2015,
<http://politics.people.com.cn/n/2015/0112/c1001-26365739.html>

IV. Audiovisual materials

Best Documentary “The Greatest Wine Forger- Rudy Kurniawan”, 20.08.2020, YouTube video, 54:08,
https://www.youtube.com/watch?v=_4CByxYbyJ4&t=21s

“China by Tony Yip – WSET Diploma Student”, Tony Yip, 26.09.2022, Winewise educational video, 1:30:30, <https://lifelonglearning.winewise.online/resources/swot-analysis-wine-regions/module-2/china-by-tony-yip-wset-diploma-student-autumn-2022>

Shawn J, Shi Yang pinjiu shenghuo, 诗洋品酒生活, “How to choose Penfolds Wines ruhe tiaoxuan Benfu? Ruhe bianbie zhenjia? Kanwan zheqi ni jiu buhui zai mai cuo le”, “How to choose Penfolds Wines 如何挑选奔富? 如何辨别真假? 看完这期你就不会再买错了”, [How to choose Penfolds Wines? How to distinguish authentic from fake? After watching it, you won’t buy wrong anymore], 14.06.2024, YouTube video, 7:58,
<https://www.youtube.com/watch?v=bHh1dwIDRJA>

Smith J., “WSET Diploma Revision: D3 Still Wines of the World – China”, Wine with Jimmy, <https://e-learningwine.winewithjimmy.com/>

Zui e niang meiri hongjiu, 醉鹅娘每日红酒 and 醉鹅娘 [Lady Pinguin everyday red wine] account. Red Note ID: 780744074 and 114271003

