

SOFTWARE AND TECHNOLOGY

## Luxury authentication startup Entrupy raises \$2.6M

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*Entrupy's device scans luxury goods to authenticate them. Image credit: Entrupy*

By STAFF REPORTS

A tech startup aimed at solving the issue of counterfeit goods has raised \$2.6 million in a Series A funding round.

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The New York-based software-as-a-service company Entrupy launched in 2016 and today is used by hundreds of secondhand luxury sellers to authenticate goods from brands such as Chanel and Herms. With its newly acquired capital, Entrupy plans to expand its technology, making it more of an industry standard.

### Secondhand solution

Entrupy's technology looks to replace the subjective manual authentication process with one that is less open to human error or uncertainty. Using a device provided by the company, the user scans a product and sends images to Entrupy.

The service will compare the images to a database of millions of microscopic photos and return an answer on the product's authenticity in seconds. The user can also create and share a certificate of authenticity.



*Entrupy authenticates a number of luxury brands, including Louis Vuitton. Image credit: Entrupy*

Entrupy, which was invited by LVMH to showcase its solution at the conglomerate's Luxury Lab during Viva Technology in 2016, just finished a Series A funding round. The investment round was led by DG Lab Fund I Investment Limited Partnership, otherwise known as DG Lab Fund, a joint venture between Digital Garage and Daiwa Securities Group.

"Online commerce is growing leaps everyday globally and trust is going to be a hot-button issue, especially when there is less interpersonal interaction," said Masahito Okuma, partner at DG Lab Fund, in a statement. "Entrupy's technology offers a viable, scalable method of combatting the scourge of counterfeit goods and building this trust."

Also participating in this round was super angel Zach Coelius, an investor from Zeitgeist Partners whose portfolio centers on startups.

"We are excited about the opportunity this funding gives us to accelerate the development and expansion of our solutions, increasing our ability to reach across product categories and geographies," said Vidyuth Srinivasan, CEO and co-founder of Entrupy. "We look forward to bringing to bear a future where trust is the norm in secondary-market transactions and no consumer gets duped or worse by a fake product."

While there may not a single silver-bullet solution to end counterfeiting, technological methods may be able to curb the practice.

In a white paper prepared by the Coalition Against Illicit Trade (CAIT) titled "The Role of New Technologies in Combatting Counterfeiting and Illicit Trade," the business alliance seeks to raise awareness for the technology solutions available to fight the knock-off market. In an environment of rapid digitalization, these solutions will benefit not only brand owners and service providers, but also governments that are plagued by illicit tax-free trade and consumers ([see story](#)).

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