



Dr Ian Holland
Committee Secretary
Senate Environment, Communications,
Information Technology and the Arts Committee
PO Box 6100
Parliament House
Canberra ACT 2600

Re: Submission by IdenteArt Pty Ltd to the Senate Inquiry into Australia's Indigenous Visual Arts and Craft Sector

Dear Dr Holland

On behalf of IdenteArt Pty Ltd and its stakeholders I would like to thank you for the opportunity to submit to the Inquiry. In particular we would like to respond to the following specific terms of reference:

- *Opportunities for strategies and mechanisms that the sector could adopt to improve its practices, capacity and sustainability, including to deal with unscrupulous or unethical conduct*
- *Future opportunities for further growth of Australia's Indigenous visual arts and craft sector, including through further developing international markets.*
- *The overall financial, cultural and artistic sustainability of the sector*

Background

IdenteArt Pty Ltd is an Australian owned company with Industry, Commercial and Indigenous Art and Craft stakeholders and shareholders from across Australia. This group also includes Indigenous artists, Art Centers and leading, recognized best-practice wholesale and retail Indigenous Art and Craft Gallery groups.

IdenteArt was formed at the request of Indigenous/Non-Indigenous stakeholder organizations and agencies such as the Aboriginal Artists Development Trust to initiate the securing of perpetual access/rights to revolutionary new advances in product protection and authentication technologies, work is currently underway in registering and protecting Indigenous Art & Craft works by over 500 Indigenous artists in over 100 National and International Galleries and Art Centres

The securing of exclusive Art & Craft rights to these emerging technologies used within our system and fielded in conjunction to a simple, robust process of digital/online Indigenous Art & Craft certification and authentication has resulted in the IdenteArt System becoming the most advanced, cost effective and fastest growing art & craft protection process of its kind. The system has been designed primarily for the authentication, protection and advancement of Indigenous Australian Art and Craft and evolving into a solution for other First Nation Art and Craft communities from around the world.



The IdenteArt Authentication System utilizes DataDotDNA & DataTraceDNA, developed by DataDot Technology Limited (an ASX listed company). DataDotDNA are microdots about the size of a grain of sand that are uniquely encrypted with multiple lines of their own code which could relate to the gallery name, artist etc and can be read with a simple microscope.

DataDot Technology Limited also operates a jointly owned company, DataTraceDNA with the CSIRO, the nations leading scientific research agency. DataTraceDNA has both covert and forensic authentication characteristics. DataTraceDNA is described as a 'chemical barcode' that is integrated into the composition of various materials used within the IdenteArt Authentication System.

An important difference between DataTraceDNA and other competing technologies is that a National Government Statutory Authority owns the patented innovations. This is a very important consideration when selecting a strategic technology for IP protection as private companies can have complex and possibly vague IP ownership. Unlike competing technologies, DataTraceDNA can be field read using a handheld, portable reader with reading, interpretation & processing time being less than half a second.

The IdenteArt System is a unique combination of the above technologies within a tamper-evident label set, which is activated against an online verification database and e-commerce portal. At the request of the Senate Committee a demonstration of our products in its various states and forms within Indigenous Art and Craft can be arranged. This would also include a demonstration of the handheld, portable field reader to detect the covert layer of security, DataTraceDNA.

The IdenteArt System was designed after 16 months of negotiations, discussion and consultations with Federal, State and Local Government groups and numerous Indigenous and Non-Indigenous Art and Craft Stakeholder individuals and groups and authorities who had approached or had been approached to consider available options to assist in addressing many of the strategic/critical issues surrounding Australian Indigenous Art and Craft that have become so publicized as of late.

Opportunities for strategies and mechanisms that the sector could adopt to improve its practices, capacity and sustainability, including to deal with unscrupulous or unethical conduct

Feedback from various formal and informal consultative processes with Indigenous Visual Arts and Craft Sector groups highlighted a number of reoccurring areas of concern such as but not limited to:

- The influx/export of Non-Indigenous/non-authentic cheap “Aboriginal- Styled” Art and Craft into Australia having a detrimental affect on local Indigenous art and craftsmen pricing, competitiveness and businesses infrastructure investment and development.
- The export into Australia of “Aboriginal styled” art and craft with made in China, Taiwan labels etc that is later is sold in major Australian capital cities now bearing written certificates of authentication. With advances in reproductive technologies and techniques it has increasingly difficult for consumers and indeed authorities to determine if fine art and craft pieces originated in Balgo or Bombay.
- The increasing concern of national and international Indigenous Art and Craft investors in the ongoing sustainability and reputation of the Australian Indigenous Art and Craft Industry given the increase in the production and/or reproduction on non-authentic works with some of these art and craft pieces shipped around the world without ever touching Australian shores. For many of these investors there is also concern being expressed as to the increase in the number of formerly unknown/un-catalogued art and craft pieces from renowned Indigenous artists arriving on the market and in turn impacting upon the price and validity of other works by that artist.
- The increased trafficking in Indigenous fine arts by reckless individuals, often referred to as ‘carpet-baggers’ and a few groups who have scant regard for the industry, contributing little to the long-term viability of the sector and in the majority of cases even less regard for the indigenous artists they claim to represent.
- The increasingly greater need and subsequent difficulty for Industry authorities/gatekeepers to be able to identify/track/monitor either authentic or non-authentic art and craft pieces after they reach the market. There are a number of means whereby the industry could be strengthened and protected using existing legislation and regulation but due to the current lack of real-time identification/authentication tools available to those groups responsible for the policing of these policies much is left undone.

In light of these concerns and through extensive research into possible solutions and strategies IdenteArt sought to create an Art/Craft authentication/certification system that focused upon the convergence of cutting edge physical brand/product protection technologies. These technologies can be verified on-site with an online presence to ensure rapid real-time correlation and updating of records and details as well as offering a point of sale presence for those not able to access other avenues.

The various stakeholder groups also made a number of recommendations as to how the process/system should look, feel and operate to ensure it addressed current industry issues and created a best-practice effective environment to help ensure “...Future

opportunities for further growth of Australia's Indigenous visual arts and craft sector, including through further developing international markets and the overall financial, cultural and artistic sustainability of the sector."

- The need for Indigenous Australian Artists, Art Centers. Art Gallery's, Auction Houses, consumers and investors, etc to have access to a common voluntary process for the certification, registration, authentication and protection of art and craft products tied to a secure online presence coupled with state of the art technologies embedded on and within the product.
- The call by Indigenous Artists and Indigenous Art Advocacy groups to establish a model for a voluntary Indigenous fine Art and Craft Resale Royalty and/or artist IP registration scheme that was enhanced or enabled by the authentication protection process.
- The need by Indigenous artists not represented by an Art Centre or particular gallery to be able to certify/register and sell their art and/or craft pieces in a wholesale or retail setting via an e-commerce portal wherever they reside in Australia.
- The recommendation that Indigenous Australian artists need to play a major role in developing a process of authentication/certification/protection for their work and that the system developed should not just encourage them to participate but that it should be either cost neutral or indeed be of financial benefit for them to do so.
- That the system be simple and cost effective to implement in rural, remote and urban settings, be adaptable and transportable and utilize and/or build upon existing Industry infrastructure.
- That the system be commercially viable and self-funding in its own right, not requiring external funding or support from Government sources yet with its asset base held in trust by Government in perpetuity on behalf of all Australians.
- The system be able to work as effectively in the future in marking and identifying non-authentic mass produced imported 'Aboriginal Styled' products as it was in identifying and protecting genuine authentic products thus ensuring that foreign imports into Australia and exports of this tourist art is never confused with the genuine article either here or overseas.
- That the technology in the actual process/system be able to be field readable to allow authorities to be able to identify the authentic from the non-authentic in real-time as any delay in item identification/analysis would only be to the benefit of those looking to exploit the market.

IDENTEART®

authentication systems

- That the system be more than just a 'label' claiming authenticity, but that it would be a compilation of checks and balances utilizing a number of world leading technologies and processes to ensure its integrity and security.
- That the technology/system allow for the ability to identify/authenticate authorized limited edition reproductions of artworks by Indigenous artists to assist them in maintaining their IP rights and generating further income streams from their work.
- That the system be managed and administered by an Advisory Board made up of Indigenous and non-Indigenous Industry and Government and non-Government representatives from across all aspects of the Indigenous Art & Craft Sector.
- That the system be able to work in a similar manner for the worlds Indigenous and non-Indigenous art and craft groups.
- That the system is able to applied at different levels, on differing product types with differing pricing models and structures. The system must be flexible enough for example to deal with a wide range or artistic mediums from bark, to canvas, to ceramics and pottery to woven baskets and silk and exist in solid and liquid forms depending upon the medium to be identified. The pricing structure also needed to be flexible so that those producing high volume low margin items were able to access the system with a pricing structure proportional to those producing low volume higher return items.

With the above recommendations in place and working closely with those Industry stakeholder groups interested in real measurable responses to challenges facing the sector instead of just maintaining the status quo, IdenteArt designed a system to enable the Australian Indigenous visual arts and crafts sectors to meet these challenges facing the Industry.

We are pleased to announce that without exception all of the above recommendations have been implemented within the IdenteArt system making it a process simple in effect and implementation whilst at the same time meeting the complex and interrelated needs of the various stakeholder groups within the Australian Indigenous Arts and Craft Sector.

The IdenteArt Systems are technology based solutions managed and administered by the numerous stakeholder groups to ensure that no one group is advantaged or disadvantaged more than another and whose core focus is the strengthening and promotion of the Industry at home and abroad.

The IdenteArt solution is a world first with interest already being shown from, Europe, the United States of America, and Africa with Countries such as Canada and Alaska with strong First Nation Art and Craft Sectors. These countries are excited about the prospects and opportunities offered under the system. For the first time a process is in



place that integrates models for product authentication and protection, Intellectual Property registration and resale royalty tracking and recording into the one system.

The introduction of a combined on-line digital and embedded technology process within an Industry still advocating 'paper-based' certificates of authenticity has not been without its critics, with some believing that the degree of protection offered is overkill, and with others noting that it may in the future provide authorities with more information regarding the Industry than some in the Industry would like.

DataDot Technology Limited has taken product identification and authentication technologies to new levels that will staunch worldwide trends in theft, counterfeiting and product redirection. The jointly owned company with the CSIRO, DataTraceDNA have developed technologies can not be reproduced or removed by criminals which leaves no doubt of the innovation and strength of the products incorporated within the system.

The vision of DataDot Technology is to be the leading provider of manufactured DNA solutions and set new standards for identifying and tracking assets worldwide. If the Australian Indigenous Art and Craft Market are to thrive and compete in the future it is pertinent that these Australian owned and patented world class products/systems are adopted. It is also interesting to note that the IdenteArt System in its full implementation could help provide the very information and data regarding *the current size and scale of Australia's Indigenous visual arts and craft sector;.....and...the economic, social and cultural benefits of the sector;*" that this Senate Committee is enquiring into.

Recommendations

We note and concur with many of the recommendations already submitted by Industry Stakeholders to the Inquiry including better education of artists, dealers and consumers, increased support of Art Centre Infrastructure in remote areas and new means to support CDEP groups in remote areas to function in various art support capacities.

We also agree that the ACCC, Australian Customs and Federal and State Police Authorities should be granted more infrastructure and funding to identify and prosecute individuals and organizations that bring the Industry into disrepute.

We note with interest and support the call by concerned groups calling for various forms of action to be taken against the overriding threat of market destabilization and poor prospects for internal industry growth and expansion due to cheap 'Aboriginal Style' imports. The total ban of such products may not be feasible in the short term on a number of levels, including the time it would take for Australian Industry to gear up to meet global demand for authentic fine art and craft and tourist designed products.

The introduction of legislation requiring such tourist art and craft 'Aboriginal Styled' imports to be tagged with affordable identification/authentication technologies that for identify their point of origin (i.e. products from China are marked with a China



DataTrace DNA code prior to arrival in Australia) to ensure that they never migrate to the market as 'authentic' pieces is however now available and should be considered a major new asset to the long-term viability and sustainability of the Sector.

It has been suggested that 90% of Australia's Indigenous Visual Art and Craft Sector is not derived from the labor and skill of Indigenous Australians and that possibly over 30% of its fine art and craft market is not authentic for various reasons then the opportunity and potential that the IdenteArt System offers in ensuring the protection of the 'Authentic Indigenous Australian Made' brand is very significant.

IdenteArt recommends the following specific actions:

- That serious consideration is given by the Committee to addressing the need of the Australian Indigenous Visual Arts and Craft sector to be able to identify and authenticate in real-time the origin and authenticity of works being marketed within Australia and internationally as 'Authentic Indigenous Australian products.'
- That the Committee is briefed in detail as to how the IdenteArt System operates, the Australian owned and patented technology it is based upon and the processes in place to ensure that the IdenteArt system remains a perpetual Australian asset.

Conclusion

The Australian Indigenous Visual Art and Craft Sector is experiencing a period of significant growth that is ironically exacerbating issues and forces that unless dealt with could see the market miss out on continuing growth.

The upward pressure of demand for authentic products is creating a parallel demand in the need and use of non-authentic works being passed off as originals by disreputable individuals and/or the use of virtual artist sweatshops and non-transparent industry transactions that left unchecked will lead to a loss of confidence in the industry and possible market destabilization. New digital reproductive technologies are making it harder and harder to determine the origin and authenticity of works and so it must be to new technologies that we turn in order to combat this issue.

The IdenteArt System for Australian Indigenous Art and Craft is an authenticity/certification solution designed by the Industry for the Industry and represents Australian ingenuity and innovation at its very best.

We look forward to be able to assist the Senate Inquiry Committee if requested and once again thank you for the opportunity to present our responses to the terms of reference.



Regards

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