vinetur

€2 Million Fake Wine Operation Uncovered in Italy and France

Collaborative effort by Europol and local authorities uncovers extensive fraud network

Thursday, November 28, 2024



Europol officers guard counterfeit material seized during raids

A new wine counterfeiting scandal has come to light this November following a complex international operation coordinated by police forces from several European countries. The events began on September 26 at Malpensa Airport in Milan, where Italian Carabinieri officers arrested Aleksandr Lugov, a 40-year-old Russian citizen identified as the leader of a network accused of selling over €2 million in counterfeit wines. Simultaneously, raids were conducted in France and Italy, resulting in the arrest of five alleged accomplices and the seizure of materials related to the fraud.

Lugov, who operated under various aliases, is not a newcomer to authorities. In 2017, he was convicted in France for counterfeiting high-end wines such as Domaine de la Romanée-Conti (DRC) and Domaine Leroy. At that time, he was accused of organizing the sale of approximately 400 fake bottles valued at €2.5 million between 2012 and 2014. A court in Dijon sentenced him to four years in prison, two of which were suspended, and imposed a €150,000 fine along with an order to pay €550,000 in damages. He was also barred from conducting business activities for five years, a restriction his defense described as particularly harsh for the defendant.

Despite these penalties, investigations indicate that Lugov resumed his illegal activities in 2019. According to Europol, counterfeit bottles re-emerged in European markets, this time featuring improved imitations that incorporated copies of the new security measures implemented by legitimate wineries. Investigators discovered that Lugov had constructed a new distribution network involving international collaborators and used low-cost Italian wine bottled as French luxury wines. The fakes included corks, labels, and capsules manufactured in Italian printing facilities and were shipped by air to unsuspecting customers in various countries, with sale prices reaching as high as €15,000 per bottle.

Authorities identified clear links between Lugov's current activities and his previous case. The discovery of similar distribution routes and connections to the same capsule and label manufacturers strengthened suspicions that he never fully abandoned his fraudulent operations.

The arrests were the result of a coordinated effort by Italian Carabinieri, French Gendarmerie, and several Swiss agencies under the direction of Europol. During the raids, thousands of counterfeit labels, bottle components, and electronic devices such as phones and computers were confiscated as part of the ongoing investigation. Additionally, luxury watches, €117,000 in cash, and assets valued at approximately €2 million, suspected of being proceeds of the criminal activities or used for money laundering, were seized.

Investigations continue as authorities aim to dismantle the network completely. The international coordination, which involved prosecutors from Dijon, Milan, and Turin, as well as Swiss police and customs agencies, has been critical in tracking Lugov's

operations and those of his accomplices. However, the full extent of the fraud and its potential ramifications on the global wine market remain to be clarified.