

→ from a garden variety wine geek who haunted auctions into a major player. “Rudy went from a tricycle to a Bugatti in about four months,” she says. “And that doesn’t happen.” He sent her a case of expensive wine from the Pomerol region of Bordeaux, a mix of Vandermeulen-bottled Château Petrus and Château Lafleur from the 1950s. “Those bottles are very frequently counterfeited,” she says. “A lot of people don’t know how to authenticate them.” When she asked for receipts, Kurniawan faxed her something in Chinese. “It didn’t pass the smell test,” she says.

For the next 10 years, hers was a voice in the wilderness, crying out for investigation of what she saw as Kurniawan’s blatant counterfeiting. “Very few people believed the problem of wine fraud was as big as it is,” she says. Being a woman didn’t help her convince people; the fine wine world is mostly men (she was often asked whose date she was when she worked at auctions), and vendors did not want to mess with the lucrative business they had in recycling counterfeits.

“When we find counterfeit bottles in somebody’s collection, 95 percent of the time the vendors will agree to pay the people back as long as they sign an NDA and return the bottles,” she says. A vintage wine purchased 10 years ago for \$3,000 could be worth \$30,000 now. “So a vendor will happily agree to take those bottles back and then turn around and resell them” at that markup.

In 2005, Downey started her own company, the San Francisco-based Chai Consulting. “After years of realizing that going after the bad guys isn’t fruitful, that all it was doing was calling attention to me and making my life more difficult, I’ve decided to take a positive approach and educate the good guys and empower consumers to protect themselves against this stuff,” she says. Aside from curating private cellars, Downey offers two-day seminars in wine fraud and authentication (there’s one in New York in January, another in Hong Kong in February). “I’m basically trying to teach everybody some of the basics of what I know.” She also launched Wine Fraud.com, a resource for vendors and collectors that allows consumers to do their own sleuthing.

You can get a sense of her methods in *Sour Grapes*, a 2016 documentary about the Kurniawan scandal. “You’re looking for anomalies,” she says, studying a bottle. “Is it the right glass? Does the cork have the right stamp? Is the cork properly aged? If these things have allegedly been together for the last 60 years, they need to look like it.”

Mostly, though, she wants collectors to enjoy their wines and feel confident in what they’ve bought. When she worked for auction houses she didn’t always feel that she had her clients’ best interests at heart. She would push people to sell their most expensive bottles, sentiment be damned.

“For me, if you bought that bottle because it was the year that you were married and you want to drink it on your anniversary, keep it!” she says. “Who cares if it’s worth \$3,000? That experience is going to be worth more to you than the money, which you aren’t going to notice.”



THE SHERIFF OF CANAL STREET

Dishing with a defender of craftsmanship.

By Catherine Hong

Heather McDonald is the closest thing the fashion industry has to a four-star general in the war against knockoffs. Over the past three decades the 57-year-old intellectual property lawyer, a partner at BakerHostetler in New York City, has built a reputation as one of the top attorneys in the anti-counterfeiting field. Her client list is a veritable who’s who of top European and American luxury goods labels, including Rolex and LVMH. “She has busted so many counterfeiters in Chinatown she can’t show her face on Canal Street,” an in-house attorney for a luxury fashion brand says with admiration.

She has the battle scars to prove it. In 1987, McDonald was directing a raid on a Chinatown storefront that was dealing in fake Rolexes when she was attacked by a man wielding a metal pipe. “I was counting

WANTED



“ANTIQUES AUTHENTICATOR”

In 2016 French antiques historian, author, and Sorbonne professor Bill G.B. Pallot pleaded guilty to being part of a

ring that commissioned and sold counterfeit Louis Delanois chairs to Versailles.

THE GRIFT Considered one of Europe’s top experts in 18th-century French furniture—he was the person major institutions, including Versailles, often hired for authentication. **THE TELL** Liquid licorice. Furniture forgers rub it on wood to make it look old. A former student of Pallot’s, Charles Hooreman, became suspicious of one of his chairs and licked it.



IN STITCHES
Telling authentic items from knockoffs comes down to the details.

LVs, interlocking Cs, and logos of little men playing polo. “We started notifying landlords of the illegal activity, and suddenly they didn’t want those tenants anymore,” she says triumphantly. “That was major.”

Naturally, fashion counterfeiters are a slippery bunch, and as times change so do their tactics. “Internet sales have changed the game,” McDonald says. Now counterfeiters drop-ship fake Ray-Bans and UGGs directly to consumers, which eliminates the threat of having an entire container stopped at the border by customs. But McDonald’s go-to tactic of enforcing third-party liability still works. The counterfeiters, after all, sell via websites, which require the use of web hosting companies and internet service providers. “We started putting them on notice,” she says. “Now there is almost no internet service provider in the United States that hosts counterfeiters’ websites anymore. The key is always to disrupt the chain of commerce.”

out the watches when all of a sudden, *thwack!*” she says. “He broke nearly all the knuckles in my left hand.” McDonald refused to be intimidated; once she had recovered she went on to lead more than a thousand similar raids on storefronts selling counterfeit merchandise. At one point sellers began to circulate flyers of her face among themselves. (“It was a photo of me in a red circle with a slash through it,” she says with a laugh.)

But it’s more than the door busting and knuckle breaking that has made McDonald—a native of Scarsdale, New York, with a brassy voice and a penchant for Hermès and Burberry scarves—legendary in her field. She helped write some of New York’s first anti-counterfeiting laws in the early 1990s. She also pioneered the groundbreaking strategy of holding third parties liable for the sale of counterfeits. “We went after the landlords,” she says. After all, trying to collect damages from counterfeiters themselves—who are usually based overseas and keep their assets well hidden—can be an exercise in futility. But according to New York state law, landlords can be held liable for the illegal activity of tenants if they have knowledge that it’s taking place and don’t take appropriate steps to address it. Though the law was originally enacted in the 19th century to help crack down on prostitution and gambling, McDonald realized it could just as easily be applied to fake

And though she concedes that in general knockoffs are becoming increasingly sophisticated, McDonald has only contempt for them. “Good craftsmanship costs more money, and counterfeiters are in the business of making things cheaply,” she says. “The material isn’t leather, or the stitching is shoddy, or the heel is glued on instead of screwed in.” Her advice for consumers who are worried about getting duped is to use common sense. “If a deal looks too good to be true, it probably is,” she says. “A \$1,000 bag is never going to be on sale for \$200.”

WANTED



“CURATOR”

In 2017, 27-year-old Anna Delvey, née Anna Sorokin, posed as a Russian-German heiress who had moved to New York to start a private arts club. She lived in downtown hotels and convinced a string of people she met at parties—among them a CEO of tech startup and a *Vanity Fair* photo editor—to lend her money, provide her places to stay, and pay her bills. In June, with Delvey on trial for grand larceny, Shonda Rhimes announced a Netflix series about Delvey’s life. **THE GRIFT** Generous at the beginning of the relationship; a little short later on. **THE TELL** Credit cards mysteriously declined.



THE GRIFTER POLICE

Is your daughter’s boyfriend who he says he is?

By Howie Kahn

“If your name is Hunt or Bass,” says Greg Shaffer, citing two prominent Texas oil families, “you’re a target for people who don’t have two nickels to rub together. That’s why you call someone like me.” Dialing Shaffer, the Dallas-based founding partner of the Shaffer Security Group, means that the grifter targeting your family gets one of the most formidable opponents money can buy. Shaffer, 55 with sandy hair and a quarterback’s jaw, is ex-FBI; he has worked in places like Iraq and Pakistan and has provided security at Super Bowls and Olympiads. He’ll start checking a person’s true identity by tapping into his own network of former agents and spies, as well as certified

\$100

Hourly rate for an investigator doing private surveillance. A good operation employs 8-10 investigators.

ethical hackers with dark web expertise. “We can see private social media accounts,” Shaffer says. “Hidden records and juvenile arrests. Schools, grades, every residence, every job they’ve ever had, banking records, fake Social Security numbers.”

The dark web deep dive takes two to three weeks and costs \$3,500 to \$5,000. If more is required, Shaffer will have a tracking device planted on the suspect’s vehicle and deploy physical surveillance. “Real surveillance takes eight to 10 guys,” he says. “You need a team that can change disguises and vehicles quickly.” This gets expensive, at \$100 per investigator per hour, plus expenses like car rentals and hotel rooms. And if you want Shaffer himself on your squad, it costs more (he reveals his rate only if you plan to hire him). “Security is like a haircut,” he says. “You get what you pay for.”

In most of the cases he has worked on, the person in question is lying about assets above all else. “The most common is a story about fake wealth,” he says. But he suspects more shocking secrets exist. “I have not had one where I discovered an ISIS terrorist or a man who is really a woman,” he says, “but I’m sure those cases are out there.”