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**Wyden Statement at Finance Committee Hearing on Trade in the Digital Economy**  
*As Prepared for Delivery*

In my view there are two issues at hand today, and in many ways they're two sides of the same coin. The first is about how more small businesses are tapping foreign markets thanks to the digital economy and e-commerce platforms. The bottom line is that the internet is the shipping lane of the 21st century, and every business in this country, in one way or another, is digital.

Take the example of Bike Friday, an Oregon company that makes folding bicycles. It might not always be bicycling season in Oregon, but it's always summertime somewhere. The internet is an essential resource that enables Bike Friday to reach customers and process orders 24/7, regardless of time differences. It's the same story if you're in steel, in manufactured goods, in clean energy, or in apparel. Digital technology is a booster shot in the arm for exports at a time when ninety-five percent of the world's customers live outside our borders. American businesses and their workers today aren't relying on listings in the yellow pages or waiting for new customers to walk through the door. Many of their storefronts are online, and they're always open.

That's one side of the coin. The other is the challenge represented by counterfeit goods. For the trade enforcers, it used to be a matter of identifying a shipping container filled with fake computer chips or tennis shoes. Although those shipping containers are still coming in, counterfeit goods are now also delivered in individual packages that go straight to the doorsteps of American consumers. So the challenge of rooting out counterfeits is a lot more difficult than it once was, and it poses a direct threat to American jobs and businesses.

This is a firsthand issue for a lot of Oregon businesses in various industries, from parts for autos and rail cars to high-tech semi-conductors. Take Leatherman Tools as an example. They are a proud Oregon employer that makes high-quality outdoor gear that gets a lot of use in my state's recreation economy. But if you place an order for a Leatherman Tools pocket knife from an unknown seller, there is a chance that you'll receive a cheap knockoff. The result is a disappointed consumer, and an Oregon manufacturer that has lost a sale. That's why buyer reviews of sellers on platforms like Amazon and eBay -- and liability laws that enable those reviews -- are so valuable to those seeking authentic merchandise.

So our policies have to take both of these issues into account -- helping our workers and business to take advantage of digital shipping lanes, and staying ahead of the online schemers who want sneak their counterfeit goods into our market and rip off jobs.

On a bipartisan basis, this committee took a major step forward earlier this year in the fight against counterfeiters by passing the toughest package of trade enforcement policies in decades. Thanks to that legislation, Customs and Border Protection now has more tools to sniff out illegal goods before they make it into the homes of American consumers, including by encouraging CBP to work with U.S. rights-holders on identifying potential counterfeits at the border.

And as the digital economy continues to transform our lives and reshape the way business is done, this committee will have more work to do. It's our job to understand how technology and policies empower America's innovators, producers, and sellers. It's also our job to understand how the trade cheats rip off Americans, and to respond accordingly. I want to thank our witnesses for joining the committee today, and I look forward to discussing how our digital economy fits into what I call "trade done right."

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