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United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

A. JAY KHOSLA, STAFF DIRECTOR
JOSHUA SHEINKMAN, DEMOCRATIC STAFF DIRECTOR

May 30, 2018

Dear [REDACTED]

The Senate Committee on Finance is collecting information on the proliferation of counterfeit goods sold through e-commerce websites. This process began shortly after the passage of the Trade Facilitation and Trade Enforcement Act of 2015 (TFTEA), which was signed into law on February 24, 2016 and contained new provisions strengthening the tools for U.S. Customs and Border Protection to combat counterfeit imports. After the passage of TFTEA, Chairman Hatch commissioned GAO to evaluate the law's effectiveness in aiding U.S. Customs and Border Protection (CBP) as well as how the U.S. Immigration and Customs Enforcement agencies curtail the importation and distribution of counterfeit goods sold through e-commerce. On February 27, 2018, GAO published its report, "Agencies Can Improve Efforts to Address Risks Posed by Changing Counterfeits Market" and one week later the Committee held a hearing titled "Protecting E-commerce Consumers from Counterfeits."

The hearing focused on assessing CBP and other federal agencies efforts to protect American consumers from imported counterfeit goods. We have learned that private companies who buy, sell, distribute, holds rights to, facilitate delivery for, transact and process payments for, and otherwise engage with American consumers via e-commerce websites also play an instrumental role in protecting U.S. consumers.

As part of our ongoing work, we write today to request information from your company on the types of activities you participate in, facilitate, or otherwise have knowledge of to help us better inform American consumers of the dangers of counterfeit goods as well as to curtail the illegal sale of counterfeits through e-commerce sites.

Through this endeavor, we hope to learn more about your organization's experience with counterfeit goods and to collect information on ways in which organizations can better protect consumers from such goods in the future. The information we receive will be used to help inform a public report. Therefore, we ask that you provide answers to the following questions as they apply to you and/or your affiliated organizations:

1. What types of tools do you provide to U.S. consumers to be compensated for losses experienced when buying a counterfeit good?

2. What activities do you undertake to limit the availability of counterfeits accessible through e-commerce?
3. What tools and protections do you provide to consumers outside of the United States to remedy losses from the purchase of counterfeit goods through e-commerce, and why might those differ from those offered within the United States—if at all?
4. What services, tools, protections, and assistance do you provide consumers with respect to preventing and remedying purchases of counterfeit goods?
5. Do you take proactive actions against potential counterfeiters? If so, can you please describe those actions?
6. What types of programs and coordination do you participate in to curtail counterfeit with rights holders, platforms, and/or shippers?
7. Do you engage with foreign governments to curtail the proliferation of counterfeits? If so, what types of activities and coordination have proven successful? What have not?
8. If you become aware of a counterfeit either distributed to a consumer, what actions do you have power to take?
 - a. Can you please provide us with detailed statistics on the frequency with which you have taken actions with regard to suspected counterfeit products—either through investigation, destructions, abandonment, or otherwise?
9. How have you coordinated with government and local authorities to curtail the distribution and manufacture of counterfeit goods within the United States?
10. How have you coordinated with U.S. federal and local authorities to curtail the distribution and manufacture of counterfeit goods internationally?
11. If there are any other pieces of information, details, or data you feel would be helpful to the committee, we respectfully request that you submit them as part of your answers as well.

We also ask that your organization respond electronically to this request no later than Friday, June 29, 2018. Provide your answers on a question-by-question basis, indicating which question you are answering. Thank you in advance for your cooperation with this request. If you have any questions, please contact [REDACTED]

Sincerely,



Orrin G. Hatch
Chairman



Ron Wyden
Ranking Member