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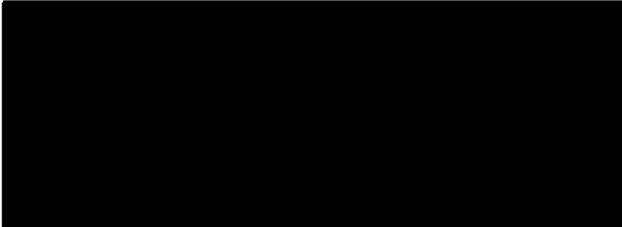
United States Senate

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. Do you warn consumers about the risk of counterfeits of your products, their availability,

and/or how to avoid accidentally purchasing them, and if so, how?

- a. Do you believe that your consumers understand the significance of purchasing counterfeit versions of the goods?
 - b. What challenges exist in informing consumers of the risks associated with the purchase of counterfeit goods?
2. What tools do you provide consumers to verify the authenticity of their goods?
 3. Please describe how you coordinate with e-commerce platforms to curtail counterfeiters.
 4. Once you suspect that counterfeit goods are being distributed, by either an importer or by a distributor or distribution network within the U.S., what types of actions, including the initiation of litigation, do you pursue? Please provide examples.
 5. Do you participate in brand registration and verification programs provided by e-commerce platforms or any other intermediary? What features of such programs have been useful in identifying and removing counterfeit products?
 6. What other services, tools, protections, and assistance do you provide?
 7. Have you ever conducted test buys through online e-commerce platforms? If so, can you provide us with information on the outcome of the test buys?
 8. What do you do to remove counterfeits from the stream of commerce?
 - a. Can you provide us with statistical information regarding the frequency in which you have taken actions against suspected counterfeit products—either through investigation, destructions, abandonment, or otherwise?
 9. In your view, what are the challenges in assisting consumers from inadvertently purchasing counterfeits and better targeting distributors of counterfeit goods?
 - a. What concrete steps can be taken to address these challenges?
 10. Do you engage with U.S. federal and/or local authorities to remove counterfeits from the stream of commerce and to curtail their distribution in the United States? If so, what authorities and types of activities and coordination efforts have proven successful, and are there gaps in such engagement?
 - a. Have you initiated civil litigation for such activity? What are the barriers to such action?
 - b. Have federal or local authorities brought prosecution for such activity concerning your intellectual property? What are the barriers to such action?
 11. Do you engage with foreign governments to curtail the proliferation of counterfeits? If so, what types of activities and coordination efforts have proven successful? What has not?
 12. If you become aware of a counterfeit, either distributed to a consumer or otherwise within your control or stewardship, what, if any, actions can you take to prevent the sale of the good?
 13. 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