



## **CCCA Endorses and Recommends Passage of America COMPETES Act of 2022 Legislation to Protect Consumers from Counterfeit and Stolen Products Sold Online**

*Urgently Needed INFORM Consumers Act and SHOP SAFE Act Amendments Will Bring Greater Transparency and Accountability to Dominant Online Marketplaces*

**Washington, D.C.** (January 28, 2022) The Communications Cable & Connectivity Association (CCCA) joins with the Buy Safe America Coalition and SHOP SAFE Coalition, two diverse groups of retailers, consumer groups, U.S. intellectual property (IP) rights holders, wholesaler-distributors, and manufacturers, in publicly declaring support of the inclusion and adoption of the INFORM Consumers Act and SHOP SAFE Act as amendments to the America COMPETES ACT of 2022.

The INFORM Consumers Act provides legislation to increase transparency and accountability for online marketplaces amid the rapidly growing problem of illicit goods sold online. The SHOP SAFE Act sets forth a seminal set of provisions incentivizing e-commerce platforms to address the sale of counterfeits online and to protect consumers from unsafe, unreliable, and unregulated products sold through these channels.

Throughout the pandemic, U.S. e-commerce grew by 44 percent as more families shopped online, according to Digital Commerce 360 estimates. At the same time, criminal networks targeted unsuspecting customers with the sale of stolen, counterfeit, expired, dangerous and defective products. Criminal enterprises use the anonymity of online marketplace platforms to deceptively market fake products or quickly move stolen goods.

The INFORM Consumers Act would modernize consumer protection laws and require online marketplaces to collect and verify basic business information from sellers, in addition to requiring high-volume sellers to provide contact information to consumers. The online marketplace would also provide a hotline to enable customers to report to the marketplace suspicious marketplace activity (e.g., the selling of stolen or counterfeit goods). The bill's requirements would be enforced by the FTC and violations would be subject to civil penalties.

The SHOP SAFE Act would establish definitive rules that ensure safe and secure online shopping through a due diligence and accountability system to hold e-commerce platforms contributorily liable for trademark infringement when a platform does not follow certain best practices. Best practices would require platforms to verify and vet third-party sellers as well as require platforms to enforce effective policies to expeditiously remove counterfeit listings and to terminate the accounts of repeat offenders.

CCCA endorses the emphasis on consumer health and safety as a priority. The U.S. Department of Homeland Security Report, *Combating Trafficking in Counterfeit and Pirated Goods*,<sup>1</sup> delineates a long list of counterfeits that can have significant and direct negative impacts on consumer health and safety. The United States has a long-standing track record of protecting consumers from commercial hazards and these protections should be extended immediately to consumers shopping online.

Americans deserve to know basic identifying information about who is selling them the products they use, and consumers also should have a way to contact a seller in case a consumer product appears to be stolen, counterfeit, or dangerous to health and safety. Brick-and-mortar retailers have clearly identifiable names and business addresses, and consumers are easily able to speak to a live person at those retailers to raise concerns about problematic products. Online marketplaces do not always require third party sellers on their platforms to provide similar transparency for consumers.

“CCCA strongly endorses and recommends passage of this vital e-commerce initiative in the U.S. House of Representatives and U.S. Senate, to help create barriers and consequences for online perpetrators of dangerous and unsafe counterfeit and non-compliant goods,” said David Kiddoo, CCCA Executive Director. “This especially pertains to the safety and integrity of cabling and connectivity infrastructure components that are vital to meet today’s communications and connected technologies, which are increasingly essential to our healthcare, education, commerce and personal social networks. CCCA encourages people in the ICT industry to contact their Representatives and Senators to express their support of the INFORM Consumer Act and SHOP SAFE Act as included amendments to the America COMPETES Act of 2022.”

This legislation is important to CCCA because of the amount of non-compliant, counterfeit, and under-performing cable currently being sold on the market, the majority of which is being sold via online distributors. In the Information and Communications Technology industry it is generally accepted that approximately 70% of network downtime is due to cabling improprieties such as low-quality cable.

Even worse than network failure is the serious safety risk due to a cable’s poor design, substandard material makeup and/or manufacturing deficiencies. As seen in CCCA’s [laboratory testing done at UL](#) (Underwriters Laboratories), improperly constructed cables running throughout a structure can act as a fuse that accelerates the spread of fumes, flames, and smoke. This can potentially lead to a significant reduction in evacuation capability,

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<sup>1</sup> DEPARTMENT OF HOMELAND SECURITY, COMBATING TRAFFICKING IN COUNTERFEIT AND PIRATED GOODS: REPORT TO THE PRESIDENT OF THE UNITED STATES (Jan. 24, 2020) [https://www.dhs.gov/sites/default/files/publications/20\\_0124\\_plcy\\_counterfeit-pirated-goods-report\\_01.pdf](https://www.dhs.gov/sites/default/files/publications/20_0124_plcy_counterfeit-pirated-goods-report_01.pdf).

loss of life and a serious destruction of equipment and structures.

In some cases, installed cables that did not meet the National Electrical Code (NEC) requirements have spread large fires, often undetected through enclosed spaces, in properties including hotels and commercial businesses. These examples show that installing non-compliant or counterfeit cable in a plenum space can be costly both in lost lives and the destruction of property.

It is easy for people looking for a bargain online to be caught in this dangerous deception. Those who design, install, and use structured cabling systems have a right to expect uncompromised quality, performance, and fire safety. Counterfeit and non-compliant cable and connectivity products are eroding that right and present a formidable challenge. When a retailer selling non-compliant or counterfeit cable via e-commerce is caught, they tend to take down their website and open another under a new name. The INFORM Consumers Act and SHOP SAFE Act will take important steps in opening the transparency of who is selling online and how to contact them, so they will not be able to be anonymous any longer. Removing the anonymity of these online platforms by creating basic accountability measures will protect consumers from illicit goods, aid law enforcement in their efforts to track organized crime and make it harder for bad actors to build an illegal business and profit by selling stolen or counterfeit merchandise.

### **About CCCA**

The Communications Cable & Connectivity Association (CCCA) is a non-profit association comprised of leading manufacturers, distributors, and material suppliers. CCCA leads the fight to confront the challenge of counterfeit and non-compliant cable in the Information and Communications Technology (ICT) industry. Through testing programs, educational initiatives, and screening tools, CCCA alerts the ICT industry to the dangers of counterfeit cable and, more importantly, how to avoid being misled by deceptive labels and marketing practices. CCCA's anti-counterfeiting efforts include close collaboration with independent testing agencies, U.S. Customs, and law enforcement.

CCCA is a resource on timely topics affecting the structured cabling industry – to help ensure the safety, quality and performance of communications cable and connectivity products. From the dangers of non-compliant and/or counterfeit products, to the most effective use of structured cabling in the data center, to collaborations on best practices for the design of sustainable cabling infrastructure projects, CCCA is a source for science-based information.

Headquarters: 1001 Pennsylvania NW, Washington, DC, 20004. For further information, visit the CCCA website [www.cccassoc.org](http://www.cccassoc.org) or contact David B. Kiddoo, Executive Director, at [dkiddoo@cccassoc.org](mailto:dkiddoo@cccassoc.org).

## About Buy Safe America

The [Buy Safe America Coalition](#) represents a diverse group of responsible retailers, consumer groups, manufacturers, intellectual property advocates and law enforcement officials who support efforts at all levels of government to protect consumers and communities from the sale of counterfeit and stolen goods. Visit [BuySafeAmerica.org](#) for more information about the growing problem of stolen and counterfeit goods and solutions to better protect consumers and businesses.

## Buy Safe America

### COALITION PARTNERS

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