

TRACIT applauds introduction of SHOP SAFE Act of 2023

- Bipartisan bill will significantly decrease online sales of counterfeits by increasing accountability of online marketplaces to vet third party sellers, remove unsafe counterfeit products, ban repeat counterfeiters.

Washington, DC, September 26, 2023 – The Transnational Alliance to Combat Illicit Trade (TRACIT) applauds the bipartisan Stopping Harmful Offers on Platforms by Screening Against Fakes in E-Commerce of 2023 (SHOP SAFE) Act introduced today by Senators Coons (D-DE) and Tillis (R-NC).

“TRACIT calls on Congress to quickly pass the SHOP SAFE Act to enhance consumer protection for ecommerce purchases,” said Mr. Jeff Hardy, TRACIT Director General. “The Bill will for the first time hold ecommerce platforms liable for selling counterfeit and illicit products that harm consumers, if they don’t adhere to a set of prescribed best practices.”

The pandemic-driven escalation of ecommerce continues to be fueled by the convenience of online shopping for practically anything anywhere, along with the nearly instant gratification of quick deliveries and the ease of returns. Ecommerce sales exceeded \$1 trillion last year.

“Shady sellers have set up shop in online marketplaces and sell counterfeit products to consumers,” stated Mr. Hardy. “These are substandard products that are either in violation of US trademark laws or they’re manufactured to look like legitimate products without adhering to safety standards, environmental controls or fair labor laws. Consequently, American consumers are unknowingly buying unsafe products and funding criminal activity.”

Illicit products coming from China and Hong Kong accounted for 75% of the value of counterfeited and pirated goods seized by US Customs and Border Patrol in 2021.

Ecommerce and social platforms like Amazon, Facebook and Instagram are prime hotspots for counterfeiters because they have not taken sufficient steps to secure their infrastructure from sellers who are eager to exploit platform system weaknesses to list unsafe counterfeits and other illicit products.

“It is time for Congress to pass SHOP SAFE,” urged Mr. Hardy. “Introducing liability provisions should provide platforms with strong incentives to operate their businesses more responsibly and do a better job scrutinizing third-party sellers, removing unsafe counterfeit listings and banning repeat offenders from selling harmful counterfeits again and again.”

TRACIT joins with other businesses across multiple industries in the SHOP SAFE Coalition to support SHOP SAFE.

About TRACIT

The Transnational Alliance to Combat Illicit Trade ([TRACIT](http://www.tracit.org/)) is an independent, private sector initiative to mitigate the economic and social damages of illicit trade by strengthening government enforcement mechanisms and mobilizing businesses across industry sectors most impacted by illicit trade.

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