



June 12, 2024

The Honorable Darrel Issa
Chairman, House Subcommittee on the Courts, Intellectual Property and the Internet

The Honorable Jerrold Nadler
Ranking Member, House Judiciary Committee

The Honorable Ben Cline
House Judiciary Committee

The Honorable Hank Johnson
Ranking Member, House Subcommittee on the Courts, Intellectual Property and the Internet

Dear Congressmen,

The Transnational Alliance to Combat Illicit Trade (TRACIT) strongly supports the bipartisan *Stopping Harmful Offers on Platforms by Screening Against Fakes in E-Commerce of 2023 (SHOP SAFE) Act* you introduced today. We appreciate your leadership, and we pledge to support you to achieve passage of this important legislation.

SHOP SAFE provides essential protections against the sale of counterfeit and pirated goods facilitated by ecommerce platforms by holding ecommerce platforms liable for facilitating and profiting from the sale of counterfeit and illicit products if they don't adhere to a set of prescribed actions including screening third party sellers, disclosing more information about sellers to online shoppers, removing counterfeit and stolen product listings, and barring bad actors from selling on their platforms.

Given the pandemic-driven escalation in online shopping, which exceeded \$1 trillion in 2022, SHOP SAFE also builds on America's legacy of ensuring the world's most meaningful and comprehensive body of consumer protection measures worldwide.

Shady sellers and criminals have set up shop in online marketplaces and sell unsafe counterfeit products to consumers. These are substandard products that are in violation of US trademark laws, and often 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 bringing them into their homes, all while 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 past time to stop relying on voluntary policies that vary by platform and are inadequately enforced. It is time for Congress to pass SHOP SAFE.

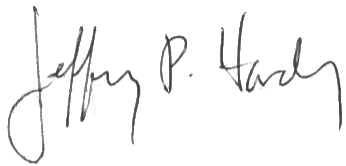
The legislation's innovative, first-of-a-kind liability provisions should provide platforms with strong incentives to operate their businesses more responsibly and to proactively improve scrutinizing third-party sellers, removing unsafe counterfeit listings and banning repeat offenders from selling harmful counterfeits again and again.

TRACIT strongly supported passage of the INFORM Consumers Act in the last Congress because it requires online marketplaces to perform a more rigorous third-party seller vetting process. Beyond INFORM, online marketplaces and social media platforms must continue to do more as prescribed by SHOP SAFE to protect consumers.

TRACIT joins with other businesses across multiple industries in the SHOP SAFE Coalition to support SHOP SAFE. Brand owners are and will continue investing significantly in human and technology resources to monitor their brands online, work with platforms when counterfeit products are found, and work with law enforcement to pursue bad actors.

TRACIT urges speedy introduction and passage of SHOP SAFE in this Congress.

Warm regards,



Jeffrey P. Hardy
Director-General
Transnational Alliance to Combat Illicit Trade

The bill text can be found [here](#).

For more information, please visit www.TRACIT.org

cc: House Judiciary Committee