

April 13, 2022

The Honorable Maria Cantwell
Chairwoman
Committee on Commerce, Science, and
Transportation
U.S. Senate
Washington, DC 20510

The Honorable Frank Pallone
Chairman
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

The Honorable Roger Wicker
Ranking Member
Committee on Commerce, Science, and
Transportation
U.S. Senate
Washington, DC 20510

The Honorable Cathy McMorris Rodgers
Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

The Honorable Richard Durbin
Chairman
Committee on the Judiciary
U.S. Senate
Washington, DC 20510

The Honorable Jerry Nadler
Chairman
Committee on the Judiciary
U.S. House of Representatives
Washington, DC 20515

The Honorable Chuck Grassley
Ranking Member
Committee on the Judiciary
U.S. Senate
Washington, DC 20510

The Honorable Jim Jordan
Ranking Member
Committee on the Judiciary
U.S. House of Representatives
Washington, DC 20515

Dear Chairwoman Cantwell, Ranking Member Wicker, Chairman Durbin, Ranking Member Grassley, Chairman Pallone, Ranking Member McMorris Rodgers, Chairman Nadler and Ranking Member Jordan:

We the undersigned, representing thousands of businesses, write today in appreciation of your bipartisan efforts to address the growing tide of fake and counterfeit products which are impacting everyday Americans. We urge you to support the inclusion in any final China competition legislative package two pieces of legislation needed to fight this problem – the SHOP SAFE Act (S. 1843 / H.R. 5374) and the INFORM Consumers Act (S. 936 / H.R. 5502).

Counterfeiting has harmed manufacturers, workers and consumers for decades, but the problem has gotten significantly worse with the explosive growth of e-commerce. Counterfeiters and other bad actors have taken advantage of these platforms to expand their reach, as was clearly seen during the COVID-19 pandemic, when bad actors abused online platforms to peddle fake tests, dangerous vaccines and ineffective personal protective equipment. Small- and medium-sized business are particularly at risk as counterfeiters target their core products. Broadly, counterfeit products harm American consumers, support criminal activity, threaten manufacturing investment, and put American jobs at risk: industry estimates show fake and counterfeiting cost the U.S. economy nearly \$131 billion and more than 325,000 jobs in 2019 alone.¹

¹ National Association of Manufacturers, “Countering Counterfeits: The Real Threat of Fake Products,” July 2020 available at https://www.nam.org/wp-content/uploads/2020/07/CounteringCounterfeits.vF_.pdf.

Fighting this growing epidemic requires strong, practical solutions that curb the availability of counterfeit goods available on online platforms and provide better information to consumers and businesses to protect themselves. Bipartisan groups of lawmakers in both chambers of Congress have spent years crafting two pieces of legislation which provide important new tools in the fight against counterfeiting, the SHOP SAFE Act and the INFORM Consumers Act. These pieces of legislation were included in the America COMPETES Act of 2022 passed by the House of Representatives on Feb. 4, 2022, and we respectfully urge you to include these provisions in any final legislative package.

- The **SHOP SAFE Act** would hold e-commerce platforms liable for counterfeit products sold on their platforms—just like their brick-and-mortar retail counterparts—unless they take a specific set of common-sense, preventative measures. Specific provisions include requirements for platforms to quickly take down bad listings and terminate repeat offenders, use technology to screen for counterfeit goods and ensure that sellers have a U.S. address or agent to ensure they cannot avoid litigation.
- The **INFORM Consumers Act** would require online marketplaces to verify annually the identity of high-volume sellers, collecting basic identification information and providing it to consumers who have purchased products via the platform. Additionally, the bill establishes a regulatory mechanism enforced by the Federal Trade Commission and state attorneys general.

These two pieces of legislation work in tandem to seek out bad actors and protect Americans from harmful and dangerous goods, with new tools which allow all parties, including platforms, businesses and consumers, to fight against counterfeiters. Both pieces of legislation have been crafted on a bipartisan and bicameral basis and reflect input from a wide range of stakeholders. These proposals have been the subject of extensive Congressional consideration and extensive discussions between committee leadership and bill sponsors, with a majority of both parties voting in strong favor of both bills in committee mark-ups in the House.

The threats posed by fake, dangerous and counterfeit goods underscore the need for swift action. We look forward to working with you to advance these important provisions, as well as to pursue additional legislative actions that can effectively tackle the growing tide of online counterfeit products.

Signed,

A. O. Smith

Abicor Binzel USA, Inc.

Actron Entities, Inc.

African American Chamber of Commerce Foundation Western Pennsylvania

Alliance for Automotive Innovation

AlphaGary

American Cleaning Institute

American Coatings Association

American Composites Manufacturers Association

American Foundry Society

American Honda Motor

Arizona Bioindustry Association, Inc.

Arizona Small Business Association

Arkansas State Chamber

Associated Industries of Missouri
Associated Industries of Vermont
Association of Home Appliance Manufacturers
Aubin Industries Inc.
Auto Care Association
Automotive Anti-Counterfeiting Council
Barrow County Chamber of Commerce
Bayer Corporation
Berkeley Chamber
Brick Industry Association
Buffalo Niagara Manufacturers Alliance
Business + Institutional Furniture Manufacturers Association
California Manufacturers & Technology Association
Capital Area Manufacturing Council
Coalition for Online Accountability
Colorado Advanced Manufacturing Association
Colorado Chamber of Commerce
Communications Cable & Connectivity Association
Council Bluffs Area Chamber of Commerce
Council of Industry of Southeastern New York
CropLife America
Daktronics, Inc.
Delaware County Chamber of Commerce
Dental Trade Alliance
Eaton
Electronic Components Industry Association
Electronic Theatre Controls, Inc.
Eli Lilly & Company
Engis Corporation
Fender Musical Instruments Corporation
Footwear Distributors & Retailers of America
Forging Industry Association
GE Appliances, a Haier company
Georgia Association of Manufacturers
Greater Brighton Chamber of Commerce & Tourism Bureau
Greater Spokane Valley Chamber of Commerce
Gwinnett Chamber of Commerce
Hampton Roads Chamber of Commerce
Household & Commercial Products Association
Illinois Manufacturers' Association
INDA Association of the Nonwoven Fabrics Industry
Independent Lubricant Manufacturers Association
Industrial Packaging Alliance of North America
Innova Electronics Corporation

International Anti-Counterfeiting Coalition
JPM Advanced Manufacturing
Juniata River Valley Chamber of Commerce
Juvenile Products Manufacturers Association
Kansas Chamber and the Kansas Manufacturing Council
Kentucky Association of Manufacturers
Lakeland Industries, Inc.
Leggett & Platt, Inc.
Leviton Manufacturing Co., Inc.
Lodge Cast Iron
Loudoun County Chamber of Commerce
Lutron Electronics
Manufacturing Alliance of Philadelphia
Mattel, Inc.
Metal Powder Industries Federation
Michigan Manufacturers Association
Miles Fiberglass & Composites Inc.
Mississippi Manufacturers Association
Montana Chamber of Commerce
Motor & Equipment Manufacturers Association
National Association of Electrical Manufacturers
National Association of Manufacturers
National Tooling and Machining Association
Nebraska Chamber of Commerce & Industry
New Mexico Business Coalition
Next Generation Manufacturing
Nite Ize, Inc.
North American Association of Food Equipment Manufacturers
Northeast PA Manufacturers & Employers Association
Pavon and Busch Truck Sales, LLC
Pennsylvania Manufacturers' Association
Pernod Ricard USA
Personal Care Products Council
Philip Morris International
Phoenix Closures
Pinnacle West
Plastics Pipe Institute
Plumbing Manufacturers International
Power Tool Institute
Precision Machined Products Association
PRINTING United Alliance
Rapid Stream Guide Service
REELEX Packaging Solutions, Inc.
Reshoring Institute

Rhode Island Manufacturers Association
Robert Bosch LLC
Roberts Automatic Products, Inc.
Sazerac
Schuylkill Chamber of Commerce
Sight Machine, Inc.
South Carolina Chamber of Commerce
Specialty Equipment Market Association
Sports & Fitness Industry Association
Steel Manufacturers Association
STIHL Incorporated
Technology & Manufacturing Association
Texas Association of Manufacturers
The American Apparel & Footwear Association
The Association for Manufacturing Technology
The Carpet and Rug Institute
The Independent Packaging Association
The L. S. Starrett Co.
The Ohio Manufacturers' Association
The Toy Association
TIC Council Americas
Transnational Alliance to Combat Illicit Trade
United Veterinary Services Association
Uniweld Products, Inc.
Utah Manufacturers Association
Vail Valley Partnership
Valley Industrial Association
West Virginia Manufacturers Association
Wire Experts Group
Wisconsin Manufacturers & Commerce
Xuron Corporation

CC: Speaker of the House Nancy Pelosi
House Minority Leader Kevin McCarthy
Senate Majority Leader Chuck Schumer
Senate Minority Leader Mitch McConnell