

May 6, 2022

The Honorable Senator Maria Cantwell  
511 Hart Senate Office Building  
Washington DC 20510

Dear Senator Cantwell:

In recent years, Washington shoppers have been provided access to a vast network of affordable online products and convenient, fast delivery. Washington retailers are proud of the supply chain that has allowed for this, especially when our economy was upended due to the COVID-19 pandemic. Families could depend on the over 80,000 retailers that were essential in keeping our state open for business and our communities safe.

However, the rapid growth of online shopping has provided new opportunities for criminals and fraudsters—with many of the latter located in China—to peddle cheap counterfeits and stolen products designed to undercut American manufacturers and local retailers. Congress has the ability to act to ensure legitimate businesses and consumers in Washington and across the country are better protected, we urge you to include the INFORM Consumers Act as part of the bipartisan U.S. Innovation and Competition Act of 2021.

The INFORM Consumers Act will help stop unsafe counterfeit products such as N95 masks,<sup>1</sup> toys,<sup>2</sup> and automobile parts<sup>3</sup> from being sold in significant quantities, which are putting Washington consumers at risk. Today, illegitimate imports cost domestic retailers at least \$54.1 billion in sales.<sup>4</sup> We can only expect this number to grow as Russia scraps trademark protections amid the ongoing conflict in Eastern Europe and joins China as one of the most egregious intellectual property offenders.<sup>5</sup>

Meanwhile, sophisticated rings of criminals are brazenly stealing merchandise off the shelves of retail store shelves and selling these items online using fake screennames and bogus business accounts. In

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<sup>1</sup> Conklin, Audrey. Fox Business. Fake Coronavirus Products on Amazon: What To Look For. March 17, 2020. <https://www.foxbusiness.com/technology/counterfeit-coronavirus-products-amazon>

<sup>2</sup> The Toy Association. FAKE TOYS – REAL PROBLEM: Toy Association Urges Gift-Givers to Shop Safely Online this Holiday Season. October 20, 2020. [https://www.toyassociation.org/PressRoom2/News/2020-News/FAKE\\_TOYS\\_REAL\\_PROBLEM\\_Toy\\_Association\\_Urges\\_Gift-Givers\\_to\\_Shop\\_Safely\\_Online\\_this\\_Holiday.aspx](https://www.toyassociation.org/PressRoom2/News/2020-News/FAKE_TOYS_REAL_PROBLEM_Toy_Association_Urges_Gift-Givers_to_Shop_Safely_Online_this_Holiday.aspx)

<sup>3</sup> Automotive Anti-Counterfeiting Council. The Online Sale of Counterfeit Automotive Parts. November 2020. [https://www.a2c2.com/sites/default/files/A2C2\\_WHITEPAPER\\_FINAL%28Nov2020%29.pdf](https://www.a2c2.com/sites/default/files/A2C2_WHITEPAPER_FINAL%28Nov2020%29.pdf)

<sup>4</sup> The Buy Safe America Coalition. The Counterfeit Silk Road - Impact of Counterfeit Consumer Products Smuggled into the United States. October 2021. <https://www.buysafeamerica.org/counterfeits-holiday-shopping-risk-economic-harm>

<sup>5</sup> Knowles, Hannah and Pozen, Zina. The Washington Post, “Russia says its businesses can steal patents from anyone in ‘unfriendly’ countries. March 9, 2022. <https://www.washingtonpost.com/business/2022/03/09/russia-allows-patent-theft/>

addition to putting retail workers and customers in harm's way, these thieves pose a serious economic threat. Research suggests that retail theft has cost retailers across the nation \$68.9 billion in losses.<sup>6</sup>

Congress must address these growing problems before additional consumers or legitimate American businesses pay the price. The common-sense measures of the INFORM Consumers Act, introduced by Senators Dick Durbin (D-IL) and Bill Cassidy (R-LA) in the Senate, and Representatives Jan Schakowsky (D-IL) and Gus Bilirakis (R-FL) in the House will make it harder for criminal networks and con artists from around the globe to use the anonymity of online marketplaces to dupe consumers with counterfeit and stolen products.

INFORM would require online marketplaces to verify high-volume sellers on their platforms and provides consumers with a method to contact sellers if they suspect they have been ripped off and sold a fake, broken, or dangerous item. This bill would not in any way inhibit the small businesses in Washington that conduct legitimate commerce on marketplaces every day, and it protects the personal information of small sellers. That's why it has united consumer groups, manufacturers, retailers, and marketplaces who want to protect American consumers from stolen, fake, and dangerous products.

This simple, bipartisan measure will bring transparency and accountability to third-party sellers online and make it harder for criminals and counterfeiters to harm local businesses and consumers. On behalf of Washington retailers — and especially for our employees and customers — we strongly urge you to support the INFORM Consumers Act and include it as part of the U.S. Innovation and Competition Act of 2021.

Sincerely,



Renée Sunde  
President & CEO  
Washington Retail Association

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<sup>6</sup> The Buy Safe America Coalition. The Impact of Organized Retail Crime and Product Theft in the United States. November 2021. <https://www.buysafeamerica.org/impact-of-organized-retail-crime-and-product-theft>