

**Statement of Amber Leavitt
Associate General Counsel and Head of Intellectual Property
eBay, Inc.
before the
United State House of Representatives
Committee on Energy and Commerce
Subcommittee on Consumer Protection and Commerce
March 4, 2020**

Chairwoman Schakowsky, Ranking Member McMorris Rodgers, members of the Subcommittee, I appreciate the opportunity to appear before you. My name is Amber Leavitt, and I am Associate General Counsel and Head of Global Intellectual Property for eBay, Inc.

eBay Supports U.S. Small Businesses

eBay is a global commerce platform that connects buyers and sellers around the world and promotes commerce that is driven by people. Founded in 1995 and about to celebrate our twenty-fifth year anniversary, eBay's core purpose has never changed -- connecting people and empowering economic opportunity for all. eBay enables hundreds of thousands of American small businesses in every corner of the country, and reaches 183 million buyers in more than 190 markets around the world. Over a third of American small businesses on our platform are from rural or small towns, and thirty-six percent operate a brick and mortar store.

eBay is not a retailer - we do not buy or sell goods - nor do we compete with our sellers by manufacturing or selling products on our own. We succeed when entrepreneurs and small businesses that use our platform succeed.

Commitment to IP Protection, Safety and a Positive User Experience

eBay's commitment to consumer safety and intellectual property rights protection is longstanding and a central value to our company. Our platform is built on trust - trust that a buyer will receive what he or she has contracted for, and that a seller will be paid for that good. The vast majority of listings on eBay come from honest, law-abiding sellers. Counterfeits and harmful items are simply not welcome on eBay. But bad actors will always try and game the system. We fully recognize more needs to be done and we must work collectively to stop bad actors from using eBay, or any other medium, for criminal or illicit activity.

As threats against consumers and rights owners continue to evolve, eBay continuously seeks to improve our efforts to fight against bad actors and remove any product that shouldn't be on the site. We started this process a long time ago - but as e-commerce grows, we too need to enhance our efforts. We invest millions of dollars and dedicate hundreds of employees every year to fight unlawful listings, including counterfeit goods, that appear on the platform. eBay takes an aggressive approach of Prevention, Detection and Enforcement to keep prohibited items off the site, remove them as quickly as possible if and when they do appear, and take actions against those bad actors improperly using the platform.

Rights Owner Partnerships and VeRO Program

Central to eBay's anti-counterfeiting efforts is our partnership with over 40,000 registered rights owners through our Verified Rights Owner ("VeRO") program. Participation in the VeRO program, which was launched in 1998, enables rights owners to report potentially unlawful listings to eBay, including copyright and trademark infringement and counterfeit goods claims.

The VeRO program, which I oversee, allows eBay to promptly remove a listing once it is reported and verified. We strive to remove any infringing goods within twenty-four hours of being reported.

For over a decade, eBay has recognized the importance of maintaining strong, collaborative relationships with brands and trade associations to help enhance eBay's efforts to combat counterfeits in its marketplace. eBay has a dedicated team whose primary purpose is to establish strong relationships with brand owners and trade associations not only to help educate external stakeholders about eBay's efforts to combat counterfeits, but to also actively collaborate in creating a safe online environment for consumers. This is accomplished through an open dialogue about new and ongoing issues and sharing information that is critical for identifying bad products and actors, including information about "trending" infringing products or sellers; the efficacy of eBay's current enforcement measures; and shared best practices for anti-counterfeiting processes.

Technology Investments

eBay has invested heavily in a complimentary mix of human resources and technical tools and mechanisms to keep prohibited items off the site. With over 1.4 billion listings on our site at any given time, eBay continues to develop new technology focused on the proactive detection of potentially problematic listings on the site.

Key to our detection efforts is the deployment of filters and algorithms to detect and block specific prohibited items. We update our filters constantly through coordination with industry, regulators, and other stakeholders, as market trends change and evolve.

We are continuing to pursue advancements in artificial intelligence and machine learning, as well as image recognition to help prevent prohibited items from getting on the platform and stop sophisticated bad actors from circumventing our rules.

Collaboration with Law Enforcement

eBay has a well-established global investigations team in place to provide support to law enforcement agencies in the investigation and prosecution of cases impacting eBay's services, including the sale of counterfeit goods. Our teams not only support law enforcement by providing relevant records upon request, but also conduct our own investigations into misuse of our platform. We proactively refer counterfeit goods cases to law enforcement for potential investigation and prosecution – in particular, where the counterfeit items pose a health or safety risk to eBay's users. eBay is an especially active partner with the US Department of Homeland Security's Intellectual Property Rights ("IPR") Center and has referred to them a variety of cases over the past few years, in addition to referrals to other partners such as the FBI, U.S. Postal Inspection Service, and IPR Office in the UK. Over the past three years, eBay's partnerships and internal investments have resulted in a six-fold increase in the number of cases referred to law enforcement agencies, to include criminal bad actors in the US, UK, Germany, Australia,

China, and Hong Kong. In addition, eBay also has helped spearhead and support the IPR Center's 'E-Commerce Working Group', which is exploring ways to share data on bad actors among participants. Finally, the investigations teams often work closely with rights owners who are the true subject matter experts on their products and can help eBay build a strong case for referral to law enforcement. We will continue to work both proactively and reactively with law enforcement on cases involving the sale of counterfeit goods.

eBay Community Tools and Education

Finally, the eBay platform is a community, and there are a number of tools that empower our community to proactively engage in keeping unsafe goods off of our platform. Our seller feedback system is a critical line of defense that holds sellers accountable to buyers. eBay also enables users to flag infringing or prohibited items themselves, which are then reviewed and removed by our teams, and has created resources to educate and inform consumers. We take action against offending sellers, up to and including suspension from our site.

eBay Inc. is deeply committed to our users' protection. As an e-commerce leader in developing policies and tools to combat infringing or unsafe goods on our platform, we are committed to working with you and other partners to combat counterfeit goods and protect American consumers. Thank you, and I look forward to your questions.