## Subcommittee on Consumer Protection and Commerce, House Committee on Energy and Commerce "Buyer Beware: Fake and Unsafe Products" March 4, 2020

Questions for the Record Submitted on April 15, 2020

The Honorable Jan Schakowsky (D-IL)

For Mr. Jeff Myers, Senior Director, IP and Licensing, Apple:

1. Should third-party sellers be required to disclose their full contact information, including location and country of origin of the seller and the product?

The safety of our customers is our first priority, and our teams are constantly working with law enforcement, merchants and e-commerce sites around the world to remove counterfeit products from their stores so that when customers seek to buy genuine Apple products, that is what they are getting.

As I stated in my testimony, criminals increasingly use online third-party marketplaces to sell counterfeit Apple products. Customers intending to buy genuine Apple products are frequently deceived into buying low-quality fakes that do not function properly and can carry serious safety risks. Apple agrees that online marketplaces offering products from third parties should provide their customers with sufficient information to identify sellers, so that customers can make informed decisions about who they are buying from. Online marketplaces should also perform proper vetting to ensure that these sellers are real, reputable companies that will stand behind the goods they sell.

It is far too easy for bad actor sellers of counterfeits on online marketplaces to hide their identities in order to evade enforcement. Sellers do this by using false or incomplete identifying information. On many online marketplaces, the seller's real identity is not readily available to consumers or rights owners. Online offers are often designed so that the product appears to be coming directly from Apple rather than a third party, using Apple's marketing images and product descriptions and being offered "by Apple." Consumers are often not aware who the actual seller is, and if there is a problem with the product, where to turn for assistance. Similarly, consumers might be unaware sellers are offshore and the goods are being shipped from overseas.

Additionally, we believe there has been little seller vetting by online marketplaces to ensure sellers 'identities are accurate or that these sellers are reputable companies who will stand behind the products they sell. While most online marketplaces prohibit the sale of counterfeits in their terms of use, they have done little to verify the sellers 'identity or screen to ensure that sellers are actually selling genuine products.

Increased information sharing and seller vetting would go a long way to reducing the ability of bad actor to sell counterfeit products online.