

1 advertising of goods that implicate health and safety
2 on the platform, unless the platform demonstrates
3 that the platform took each of the following steps to
4 prevent such use on the platform before any infring-
5 ing act by the third-party seller:

6 “(i) Determined after a reasonable inves-
7 tigation, and reasonably periodically con-
8 firmed—

9 “(I) that the third-party seller des-
10 igned a registered agent in the United
11 States for service of process; or

12 “(II) in the case of third-party seller
13 located in the United States that has not
14 designated a registered agent under sub-
15 clause (I), that the third-party seller has
16 designated a verified address for service of
17 process in the United States.

18 “(ii) Verified through reliable documenta-
19 tion, including to the extent possible some form
20 of government-issued identification, the iden-
21 tity, principal place of business, and contact in-
22 formation of the third-party seller.

23 “(iii) Except as provided for in subpara-
24 graph (C), required the third-party seller to—

1 “(I) take reasonable steps to verify
2 the authenticity of goods on or in connec-
3 tion with which a registered mark is used;
4 and

5 “(II) attest to the platform that the
6 third-party seller has taken reasonable
7 steps under subclause (I) to verify the au-
8 thenticity of the goods.

9 “(iv) Imposed on the third-party seller as
10 a condition of participating on the platform
11 contractual requirements that—

12 “(I) the third-party seller agrees not
13 to use a counterfeit mark in connection
14 with the sale, offering for sale, distribu-
15 tion, or advertising of goods on the plat-
16 form;

17 “(II) the third-party seller consents to
18 the jurisdiction of United States courts
19 with respect to claims related to participa-
20 tion by the third-party seller on the plat-
21 form; and

22 “(III) the third-party seller designates
23 an agent for service of process in the
24 United States, or, in the case of third-
25 party seller located in the United States,

1 the third-party seller designates a verified
2 address for service of process in the United
3 States.

4 “(v) Displayed conspicuously on the plat-
5 form the verified principal place of business,
6 contact information, and identity of the third-
7 party seller, and the country from which the
8 goods were originally shipped from the third-
9 party seller, except the platform shall not be re-
10 quired to display any such information that
11 constitutes the personal identity of an indi-
12 vidual, a residential street address, or personal
13 contact information of an individual, and in
14 such cases shall instead provide alternative,
15 verified means of contacting the third-party
16 seller.

17 “(vi) Except as provided for in subpara-
18 graph (C), displayed conspicuously in each list-
19 ing the country of origin and manufacture of
20 the goods as identified by the third-party seller,
21 unless such information was not reasonably
22 available to the third-party seller and the third-
23 party seller has identified to the platform the
24 steps it undertook to identify the country of ori-

1 gin and manufacture of the goods and the rea-
2 sons it was unable to identify the same.

3 “(vii) Required each third-party seller to
4 use images that accurately depict the goods
5 sold, offered for sale, distributed, or advertised
6 on the platform.

7 “(viii) Implemented at no charge from the
8 platform to the registrant reasonable proactive
9 measures for screening goods before displaying
10 the goods to the public to prevent the use by
11 any third-party seller of a counterfeit mark in
12 connection with the sale, offering for sale, dis-
13 tribution, or advertising of goods on the plat-
14 form. The determination of whether proactive
15 measures are reasonable shall consider the size
16 and resources of a platform, the available tech-
17 nological and non-technological solutions at the
18 time of screening, the information provided by
19 the registrant to the platform, and any other
20 factor considered relevant by a court.

21 “(ix) Provided reasonably accessible elec-
22 tronic means by which a registrant and con-
23 sumer can notify the platform of suspected use
24 of a counterfeit mark.

1 “(x) Implemented at no charge from the
2 platform to the registrant a program to expedi-
3 tiously disable or remove from the platform any
4 listing for which a platform has reasonable
5 awareness of use of a counterfeit mark in con-
6 nection with the sale, offering for sale, distribu-
7 tion, or advertising of goods. Reasonable aware-
8 ness of use of a counterfeit mark may be in-
9 ferred based on information regarding the use
10 of a counterfeit mark on the platform generally,
11 general information about the third-party seller,
12 identifying characteristics of a particular list-
13 ing, or other circumstances as appropriate. A
14 platform may reinstate a listing disabled or re-
15 moved under this clause if, after an investiga-
16 tion, the platform reasonably determines that a
17 counterfeit mark was not used in the listing. A
18 reasonable decision to reinstate a listing shall
19 not be a basis for finding that a platform failed
20 to comply with this clause.

21 “(xi) Implemented a publicly available,
22 written policy that requires termination of a
23 third-party seller that reasonably has been de-
24 termined to have engaged in repeated use of a
25 counterfeit mark in connection with the sale, of-

1 fering for sale, distribution, or advertising of
2 goods on the platform. Use of a counterfeit
3 mark by a third-party seller in 3 separate list-
4 ings within 1 year typically shall be considered
5 repeated use, but a platform may allow a third-
6 party seller to remain active after repeated use
7 of a counterfeit mark when reasonable miti-
8 gating circumstances exist. The determination
9 of whether reasonable mitigating circumstances
10 exist shall consider the overall activity of the
11 third-party seller, efforts the third-party seller
12 has taken to cure supply-chain concerns, efforts
13 the third-party takes to resolve disputes once
14 notified of a concern, and any other factor con-
15 sidered relevant by a court. A platform may re-
16 instate a third-party seller if, after an investiga-
17 tion, the platform reasonably determines that
18 the third-party seller did not engage in repeated
19 use of a counterfeit mark or that reasonable
20 mitigating circumstances existed. A reasonable
21 decision to reinstate a third-party seller shall
22 not be a basis for finding that a platform failed
23 to comply with this clause.

24 “(xii) Implemented at no charge from the
25 platform to the registrant reasonable measures

1 for screening third-party sellers to ensure that
2 sellers who have been terminated do not rejoin
3 or remain on the platform under a different
4 seller identity or alias. The determination of
5 whether screening measures are reasonable
6 shall consider the size and resources of a plat-
7 form, the available technological and non-tech-
8 nological solutions at the time of screening, and
9 any other factor considered relevant by a court.

10 “(xiii) Provided a verified basis to contact
11 a third-party seller upon request by a registrant
12 that has a bona fide belief that the seller has
13 used a counterfeit mark in connection with the
14 sale, offering for sale, distribution, or adver-
15 tising of goods on the platform except that the
16 platform is not required to provide information
17 that constitutes the personal identity of an indi-
18 vidual, a residential street address, or personal
19 contact information of an individual (in such
20 case, the provider shall provide an alternative
21 means of contacting the third-party seller).

22 “(B)(i) This paragraph shall apply—

23 “(I) to an electronic commerce platform
24 that has sales on the platform in the previous
25 calendar year of not less than \$500,000; or

1 “(II) to an electronic commerce platform
2 with less than \$500,000 in sales in the previous
3 calendar year, 6 months after the platform has
4 received 10 notices, in aggregate, that qualify
5 under clause (ii).

6 “(ii) To count toward the aggregate 10-notice
7 threshold under clause (i)(II), a notice shall—

8 “(I) include a reference to this paragraph;

9 “(II) include an explicit notification of the
10 10-notice limit and the requirement of the plat-
11 form to publish the information in clause (iii);
12 and

13 “(III) identify a listing on the platform
14 that reasonably could be determined to have
15 used a counterfeit mark in connection with the
16 sale, offering for sale, distribution, or adver-
17 tising of goods that implicate health and safety.

18 “(iii) Not later than 1 month after the date on
19 which a platform described in clause(i)(II) receives
20 the first notice described under clause (ii), the plat-
21 form shall make publicly available an attestation
22 that the sales on the platform in the previous cal-
23 endar year were less than \$500,000 and an aggre-
24 gate count of the notices that qualify under clause

1 (ii). Such count shall be updated upon receipt of ad-
2 ditional notices.

3 “(C) Notwithstanding clauses (iii) and (vi) of
4 subparagraph (A), a platform is exempt from the re-
5 quirements of such clauses for goods, on or in con-
6 nection with which a registered mark is used, sold,
7 offered for sale, or advertised by a third-party seller
8 for less than \$5,000 if the third-party seller sells, of-
9 fers for sale, or advertises on the platform 5 or
10 fewer goods of the same type in connection with the
11 same mark in a 1-year period.

12 “(D) This paragraph may not be construed to
13 limit liability in contexts other than those described
14 in this paragraph, including any cause of action
15 available under any other provision of this Act, not-
16 withstanding that the same facts may give rise to a
17 claim under this paragraph.

18 “(E) With respect to fiscal year 2024, and each
19 fiscal year thereafter, the amounts in subparagraphs
20 (B) and (C) shall be increased each year by an
21 amount equal to the percentage increase, if any, in
22 the Consumer Price Index.

23 “(F) In this paragraph:

24 “(i) The term ‘counterfeit mark’ has the
25 meaning given that term in section 34(d)(1)(B).

1 “(ii) The term ‘electronic commerce plat-
2 form’ means any electronically accessed plat-
3 form that includes publicly interactive features
4 that allow for arranging the sale or purchase of
5 goods, or that enables a person other than an
6 operator of the platform to sell or offer to sell
7 physical goods to consumers located in the
8 United States.

9 “(iii) The term ‘goods that implicate
10 health and safety’ means goods the use of
11 which can lead to illness, disease, injury, serious
12 adverse event, allergic reaction, or death if pro-
13 duced without compliance with all applicable
14 Federal, State, and local health and safety reg-
15 ulations and industry-designated testing, safety,
16 quality, certification, manufacturing, packaging,
17 and labeling standards.

18 “(iv) The term ‘third-party seller’ means a
19 person other than the electronic commerce plat-
20 form that uses the platform to arrange for the
21 sale or purchase of goods.”.

1 **SEC. 3. MATERIAL MISREPRESENTATIONS IN TAKE-DOWN**
2 **NOTICES.**

3 (a) AMENDMENT.—The Trademark Act of 1946 is
4 amended by inserting after section 32 (15 U.S.C. 1114),
5 the following new section:

6 **“SEC. 32A. MATERIAL MISREPRESENTATIONS IN TAKE-**
7 **DOWN NOTICES.**

8 “(a) CIVIL LIABILITY.—Any person who knowingly
9 makes any material misrepresentation in a notice to an
10 electronic commerce platform that a counterfeit mark was
11 used in a listing by a third party seller for goods that
12 implicate health and safety shall be liable in a civil action
13 for damages by the third-party seller that is injured by
14 such misrepresentation, as the result of the electronic
15 commerce platform relying upon such misrepresentation
16 to remove or disable access to the listing, including tem-
17 porary removal or disablement.

18 “(b) ACTION BY ELECTRONIC COMMERCE PLAT-
19 FORM.—

20 “(1) AUTHORITY TO BRING ACTION.—If a
21 third-party seller who otherwise could bring an ac-
22 tion under subsection (a), consents and declines to
23 file suit, an electronic commerce platform may bring
24 an action under subsection (a) against a person who
25 knowingly made a material misrepresentation in 10
26 or more notices to the platform alleging that a coun-

1 terfeit mark was used in a listing by a third party
2 seller for goods that implicate health and safety.

3 “(2) CONSENT BY THIRD-PARTY SELLER RE-
4 QUIRED.—Consent shall be obtained in writing from
5 each third-party seller to which the notices covered
6 by the civil action were directed.

7 “(3) CONTENTS OF CONSENT.—The consent by
8 a third-party seller shall be made in specific ref-
9 erence to a particular notice after the notice has
10 been filed with the electronic commerce platform and
11 removal or disablement has occurred.

12 “(c) STATUTORY DAMAGES.—Any person who brings
13 a claim under this section may elect, at any time before
14 final judgment is rendered by the trial court, to recover,
15 instead of actual damages, statutory damages in the
16 amount of—

17 “(1) not less than \$2,500 or more than
18 \$15,000 per notice containing a knowing, material
19 misrepresentation; or

20 “(2) if aggravating circumstances exist, not less
21 than \$15,000 or more than \$75,000 per notice con-
22 taining a knowing, material misrepresentation.

23 “(d) DEFINITIONS.—In this section:

1 “(1) COUNTERFEIT MARK.—The term ‘counter-
2 feit mark’ has the meaning given that term in sec-
3 tion 34(d)(1)(B).

4 “(2) ELECTRONIC COMMERCE PLATFORM;
5 GOODS THAT IMPLICATE HEALTH AND SAFETY;
6 THIRD-PARTY SELLER.—The terms ‘electronic com-
7 merce platform’, ‘goods that implicate health and
8 safety’, and ‘third-party seller’ have the meaning
9 given those terms in section 32(4)(F).”.

10 (b) TECHNICAL AND CONFORMING AMENDMENT.—
11 Section 35(a) of The Trademark Act of 1946 (15 U.S.C.
12 1117(a)) is amended by inserting after “under section
13 43(a) or (d),” the following: “a violation under subsection
14 (a) or (b) of section 32A,”.

15 **SEC. 4. EFFECTIVE DATE.**

16 This Act, and the amendments made by this Act,
17 shall take effect on the date that is 1 year after the date
18 of the enactment of this Act.

