



Andrei Iancu, Co-Chair
David Kappos, Co-Chair
Judge Paul Michel (Ret.), Board Member
Judge Kathleen O'Malley (Ret.), Board Member
Frank Cullen, Executive Director

June 13, 2024

The Honorable Jerrold Nadler
Ranking Member
House Committee on the
Judiciary
2138 Rayburn House Building
Washington, DC 20515

The Honorable Henry C. "Hank" Johnson, Jr.
Ranking Member
House Judiciary Subcommittee on Courts,
Intellectual Property, and the Internet
2138 Rayburn House Building
Washington, DC 20515

The Honorable Darrell Issa
Chairman
House Judiciary Subcommittee
on Courts, Intellectual
Property, and the Internet
2138 Rayburn House Building
Washington, DC 20515

The Honorable Ben Cline
Member
House Judiciary Subcommittee
on Courts, Intellectual Property,
and the Internet
2443 Rayburn House Office Building
Washington, DC 20515

Dear Ranking Member Nadler, Subcommittee Chairman Issa, Subcommittee
Ranking Member Johnson, and Subcommittee Member Cline:

The Council for Innovation Promotion is a bipartisan coalition dedicated to promoting strong and effective intellectual property rights that drive innovation, boost economic competitiveness, and improve lives everywhere. As such, we applaud your recent introduction of the SHOP SAFE Act of 2024, H.R.8684.

Protecting brands through meaningfully enforceable trademark rights protects consumers and improves the American economy. Sales of counterfeits not only hurt consumers but deprive legitimate businesses of revenue and the ability to invest in future research and development. C4IP supports the SHOP SAFE Act and urges its swift passage.

Unsuspecting consumers may not even realize they have purchased a counterfeit, given the growing sophistication of counterfeiters in imitating a company's trademarks and packaging. But counterfeiters, unlike trademark holders of genuine brands, do not have an incentive to invest in quality and adhere to safety standards. There are reports of fake toys breaking apart too easily and being swallowed by children, fake electronics malfunctioning or catching on fire, and fake cosmetics containing unsafe compounds. Consumers are hurt, and genuine brands suffer reputational damage in addition to lost sales.

The current legal regime does not put enough accountability on online platforms to clean up their marketplaces, leading trademark owners to bear the considerable cost and burden of policing the platforms themselves to stem the tide of fake products. The SHOP SAFE Act would achieve a more equitable balance by requiring that platforms take reasonable measures themselves to better monitor their marketplaces, such as removing repeat counterfeiters and proactively policing for suspected counterfeits. This is a straightforward approach that should lead to a significant reduction in the number of counterfeits reaching consumers.

We thank you for continuing to tackle this difficult problem with the introduction of this thoughtful, bipartisan legislation and look forward to supporting your efforts to pass the SHOP SAFE Act.

Sincerely,

A handwritten signature in black ink, which appears to read "Frank Cullen". The signature is fluid and cursive, with a long horizontal stroke at the end.

Frank Cullen
Executive Director
Council for Innovation Promotion (C4IP)