

November 9, 2021

The Honorable Steve Wilson
Chairman, Senate Financial Institutions & Technology Committee
134th General Assembly

Dear Chairman Wilson:

On behalf of over 53,000 Associates in Ohio, I am writing you today to emphasize our complete support of the Inform Act – Senate Bill 184. This important piece of legislation would increase transparency and accountability for online marketplaces and protect your constituents. The legislation addresses the serious concern of counterfeit goods and stolen property sold via online marketplace platforms and offers essential protections for consumers in Ohio.

The U.S. Department of Homeland Security (DHS) has estimated that counterfeit and pirated goods now represent more than \$500 billion in global trade¹. In recent years, seizures of infringing goods at U.S. borders have increased significantly to nearly 33,000 in FY2019². In some instances, items are falsely labeled, made from substandard materials, or do not meet U.S. safety regulations.

As both a brick-and-mortar retailer and an online marketplace operator, we believe the seller disclosure and verification requirements within the legislation are best practices for all marketplaces and are needed to empower consumers and law enforcement officials to reduce fraudulent sales. The legislation does not harm law-abiding small sellers but rather would make it harder for bad actors to compete with lawful sellers by deceiving and defrauding customers in Ohio.

Federal and state laws are already in place and enforced against brick-and-mortar retailers who sell fraudulent items in a physical retail environment. As DHS notes, “the U.S. brick-and-mortar retail store economy has a well-developed regime for licensing, monitoring, and otherwise ensuring the protections of intellectual property rights...”³ This legislation addresses the problem of insufficient transparency and accountability that is specific to online marketplaces that do not adhere to best practices of seller information disclosure and verification.

As I mentioned, Walmart is proud to employ over 53,000 associates in Ohio across 172 retail locations. We will also spend over \$6.3 billion with local suppliers supporting an additional 125,000 Ohio jobs. Maintaining the trust and confidence of our online customers is essential to our business – we believe all online marketplaces should do the same.

Thank you for your consideration of this practical legislative solution that will help reduce the sale of stolen and pirated items on online marketplaces and protect Ohio consumers.

Sincerely,



Glenda Fleming Willis
Senior Vice President, North Division

¹ U. S. Department of Homeland Security. (2020). “Combatting Trafficking in Counterfeit and Pirated Goods: Report to the President of the United States.”

² Ibid.

³ Ibid.