

June 9, 2021

The Honorable Dick Stein
Chairman, House Commerce & Labor Committee
134th General Assembly

Dear Chairman Stein:

On behalf of over 48,000 Associates in Ohio, I am writing you today to emphasize our complete support of the Informs Act – House Bill 272. This important 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 while offering 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 who deceive and defraud customers in Ohio to compete with lawful sellers.

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 48,944 associates in Ohio across 172 retail locations. We will also spend \$17 billion with Ohio based suppliers supporting an additional 138,000 Ohio jobs. Maintaining the trust and confidence of our both our in-store and 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 through online marketplaces and protect Ohio consumers.

Sincerely,



Glenda Fleming Willis - Senior Vice President, North Division

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

² Ibid.

³ Ibid.

