

THE VOICE OF OHIO'S HIGH-TECH CHEMISTRY COMMUNITY... MAKING A BETTER WORLD FOR ALL OHIOANS.

JENN KLEIN, PRESIDENT

Board of Directors

Chair – Rich Rogers
Covestro
Vice Chair – Seth Tomasch
Gabriel Performance Products
Treasurer – Karleen James
Dover Chemical
Past Chair – David Hurder
McGean

John Ambrozy **Kraton Polymers** Chuck Almroth Jones-Hamilton Company Ken Armstrong RPM International James Bull Capital Resin Corporation Joseph Bush Solvay Fernando Carvalho Ashland Mike Groh **Emery Oleochemicals** Steel Hutchinson **GFS Chemicals Daniel Isaacson** The Lubrizol Corporation Richard Jackson **ASHTA Chemicals** Joseph Bianco **INEOS Nitriles** Jonathan Kammerer Americas Styrenics Matthew O'Connor Zaclon LLC Rob Paxton Shepherd Chemical Company MJ Rea-Jordan Univar Heather Rutz **Husky Lima Refinery** Chris Shaul **DuPont** Terry Snell

> BASF Hadley Stamm PPG Tom Steib

The Elco Corporation

March 15, 2022

Ohio Chemistry Technology Council Testimony In Support of House Bill 272

Chairman Wilson, Vice Chair Hottinger, Ranking Member Maharath and members of the Senate Financial Institutions and Technology Committee, my name is Andy Swaim. I am the Director of Government and External Affairs for the Ohio Chemistry Technology Council (OCTC). Thank you for the opportunity to testify in support of House Bill 272 (HB 272).

OCTC is the leading advocate for Ohio's chemistry industry. Ohio is the third largest chemical manufacturing state in the United States. The chemistry industry in Ohio employs more than 40,000 people, pays an average wage of over \$85,000, and ships more than \$5.6 billion in products worldwide every year.

The OCTC represents manufacturers that produce products ranging from high-performance paint to pesticides to lifesaving medical equipment. Many of our products are developed through painstaking research and development processes that hone products to be the safest, most effective goods on the market. When our products are mishandled or counterfeited, there can be significant consequences to the health and safety of consumers as well as the environment.

House Bill 272 would help to prevent counterfeiters and those persons trying to sell stolen goods from using online marketplaces to easily traffic those items. The OCTC understands that the addition of verification and transparency measures will provide a certain amount of operational burden to those online marketplaces. However, as noted in a report from the U.S. Department of Homeland Security (DHS)ⁱ:

While 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 (IPR), a comparable regime is largely non-existent for international ecommerce sellers.



THE VOICE OF OHIO'S HIGH-TECH CHEMISTRY COMMUNITY... MAKING A BETTER WORLD FOR ALL OHIOANS.

JENN KLEIN, PRESIDENT

Among the best practices listed in the report for combatting this criminal activity are significantly enhanced vetting of third-party sellers, rapid notice and takedown procedures, and pre-sale identification of third-party sellers.

HB 272 would implement all of these precautions to help ensure that the products of the chemistry industry are being handled responsibly and consumers are getting legitimate products. OCTC urges passage of House Bill 272 as a reasonable approach to tackling this growing issue. Thank you for the opportunity to testify, and I am happy to answer any questions you may have.

ⁱ (Combatting Trafficking in Counterfeit and Pirated Goods, US Department of Homeland Security, Office of Strategy, Policy & Plans, 2020)