

**STATEMENT OF JEFF MYERS  
SENIOR DIRECTOR FOR INTELLECTUAL PROPERTY, APPLE INC.**

**U.S. House of Representatives  
Committee on Energy and Commerce  
Consumer Protection Subcommittee  
Hearing on “Buyer Beware:  
Fake and Unsafe Products on Online Marketplaces.”  
March 4, 2020**

Good morning Chairwoman Schakowsky, Ranking Member McMorris Rodgers, and members of the Subcommittee. My name is Jeff Myers, and I am Apple’s Senior Director for Intellectual Property. I lead a team that works every day to protect Apple’s revolutionary products and the customers who use them. I appreciate the opportunity to participate in this important hearing about the sale of counterfeit goods—an issue that is first and foremost about customers’ safety. I would like to share my perspectives on the problem, what Apple is doing to address it, and what more can be done.

Apple is a proud American company with a forty-year history of innovation. We take pride in making the best products, and the customer experience is at the heart of everything we do. While this commitment to our customers has been the foundation of Apple’s success, it also has made Apple a target for criminals who deceive customers into purchasing counterfeit Apple products—which puts customers at risk of serious safety issues.

Today, criminals increasingly use online third-party marketplaces to sell counterfeit Apple products. Fraudsters use Apple’s name, logos, designs, and marketing images in their online offers to deceive customers into believing that fake Apple products are the real thing. Even after making a purchase, customers might be unaware that they purchased a fake product, and when that product does not meet Apple’s high standards for safety and performance, it diminishes customers’ trust in the quality of Apple’s products and can have serious safety implications.

Take counterfeit power adapters and replacement batteries, for example. Unlike genuine Apple products, these counterfeits are not subject to industry-standard safety testing, and they tend to be poorly constructed with inferior or missing components, flawed design, and inadequate electrical insulation. This poses a serious safety threat to customers. UL, one of the world’s leaders in product safety testing and certification, examined 400 counterfeit iPhone power adapters and found that 99% of them failed basic safety tests, sometimes posing risk of fire and even lethal electrocution.

Apple works tirelessly to combat counterfeits at all stages—from global production and distribution to sale in both online and brick-and-mortar stores. My enforcement group consists of over 30 dedicated professionals operating out of nine global offices and working with law enforcement authorities in more than 100 countries.

Apple monitors over 75 online marketplaces around the world. When we discover counterfeit Apple products, we notify online marketplaces of the problem so they can remove the

offers and hopefully take action against the sellers. While online marketplaces generally remove these listings when we report them, the impact can be fleeting as criminals simply re-list counterfeit goods, creating a game of whack-a-mole.

We also work collaboratively with industry and governments around the world to identify trends and to share intelligence about criminal networks. Apple is participating in the Administration's work to combat the counterfeit trade, and we collaborate with U.S. Customs and Border Protection and Homeland Security Investigations, among many other agencies. By working with federal authorities to better identify counterfeit Apple products at the border, we have supported over one thousand seizures per year.

Of course, Apple cannot address these challenges alone, and we believe there are actions marketplaces should take to better protect customers. We agree with many of the best practices outlined in the recent reports from the Senate Finance Committee and the Department of Homeland Security, including the following:

- First, marketplaces should do a better job vetting sellers to ensure that they are real, reputable companies that will stand behind the goods they sell. If a seller can't pass simple vetting requirements, they should not be allowed on the marketplace.
- Second, marketplaces should adopt better policies to address repeat offenders and kick them off marketplaces for good.
- Third, marketplaces should offer customers more information about the identity of sellers on offer pages, or they could provide notifications when they learn that a seller was supplying counterfeits.
- Fourth, marketplaces should work more closely with companies like Apple and law enforcement to bring criminal actions against counterfeiters. We have done this with some marketplaces, and we appreciate those efforts.
- Finally, there should be greater proof of authenticity requirements for certain categories of products where counterfeits comprise a significant portion of what is sold, particularly if safety concerns are present.

Thank you for your attention to this issue. Part of the solution to this problem is increasing public awareness of the ubiquity of counterfeits online, and we appreciate the opportunity to appear today in that effort.

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