



NEWS RELEASE

CCCA Applauds House Introduction of SHOP SAFE Act of 2024

Bipartisan bill will significantly decrease online sales of counterfeits by increasing accountability of online marketplaces to vet third party sellers, remove unsafe counterfeit products, ban repeat counterfeiters.

Washington, DC, June 7, 2024 – The Communications Cable & Connectivity Association (CCCA) applauds the bipartisan Stopping Harmful Offers on Platforms by Screening Against Fakes in E-Commerce (SHOP SAFE) Act of 2024, introduced in the House of Representatives.

“CCCA calls on Congress to quickly pass the SHOP SAFE Act to enhance consumer protection for e-commerce purchases,” said David Kiddoo, CCCA Executive Director. “For the first time, the Bill will hold e-commerce platforms liable for selling counterfeit and illicit products that harm consumers, if they don’t adhere to a set of prescribed best practices.”

“Cable and connectivity products are mission critical in all aspects of our evolving connected society,” continues Kiddoo. “Safety and performance are paramount to assuring that electrification, artificial intelligence and all other connectivity infrastructure to support SMART buildings and communities is being deployed.”

The pandemic-driven escalation of e-commerce continues to be fueled by the convenience of online shopping for practically anything anywhere, along with the nearly instant gratification of quick deliveries and the ease of returns. E-commerce sales exceeded \$1 trillion last year.

“Shady sellers have set up shop in online marketplaces and sell counterfeit products to consumers,” stated Kiddoo. “These are substandard products that are either in violation of US trademark laws or they are manufactured to look like legitimate products without adhering to safety standards, environmental controls or fair labor laws. Consequently, American consumers are unknowingly buying unsafe products and funding criminal activity.”

Illicit products coming from China and Hong Kong accounted for 75% of the value of counterfeited and pirated goods seized by US Customs and Border Patrol in 2021.

E-commerce and social platforms like Amazon, Facebook, ETSY, and Instagram are prime hotspots for counterfeiters because they have not taken sufficient steps to secure their infrastructure from sellers who are eager to exploit platform system weaknesses to list unsafe counterfeits and other illicit products.

Recently, communications cables purchased on Amazon were installed in an Elementary School in Loudoun County, Virginia, containing fraudulent certification markings and descriptions that showed this cable to be an extremely harmful fire safety hazard that would easily fail the NFPA National Electrical Code® listing requirements. The cable also had conductors that would severely inhibit data

transmission to appropriate standards. Stronger legislative oversight is required to prevent these products from being sold on E-Commerce and social platforms.

The SHOP SAFE Act will require platforms to (1) engage in best practices for screening / vetting sellers and goods, (2) address repeat counterfeiter sellers, and (3) ensure that consumers have relevant information available to them.

Failure to comply with the SHOP SAFE regulations, the platforms will be held liable for the sale of counterfeit and illicit products that harm consumers. This is complementary to the INFORM Consumers Act and requires online marketplaces to collect, verify, and disclose certain information about “high-volume third-party sellers”. Together, these policies will begin to stem the influx of illicit products and safeguard consumers from the alarming health, safety and performance dangers of counterfeits that extend across all industries.

“It is time for Congress to pass SHOP SAFE,” urged Kiddoo. “Introducing liability provisions should provide platforms with strong incentives to operate their businesses more responsibly and do a better job scrutinizing third-party sellers, removing unsafe counterfeit listings and banning repeat offenders from selling harmful counterfeits again and again.”

CCCA joins with other businesses across multiple industries in the SHOP SAFE Coalition to support SHOP SAFE.

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About CCCA

CCCA is comprised of leading manufacturers, distributors and material suppliers who are committed to serving as a major resource for well-researched, fact-based information on the technologies and issues vital to the structured cabling industry. CCCA is proactive at codes and standards bodies and other trade, industry, and governmental organizations in communicating and influencing policy and decisions affecting the quality, performance and societal needs of the structured cabling infrastructure.

CCCA member companies are Alphagary; Belden; Cable Components Group; Chemours, CommScope; Daikin America; Dow; Graybar; Legrand; Leviton; Optical Cable Corporation (OCC); Proterial Cable America; Prysmian; Quabbin; Reelex; Sentinel Connector Systems; Superior Essex; Teknor Apex; VoltServer; Wesco; Westlake Compounds; Wonderful High Tech / ABA Cables.

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