



we wear[®] intellectual property

August 10, 2012

The Honorable Victoria Espinel
Intellectual Property Enforcement Coordinator
Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

Dear Mrs. Espinel:

On behalf of the American Apparel & Footwear Association (AAFA) and its members, we are grateful for the opportunity to submit comments on the development of the Administration's "Development of the Joint Strategic Plan on Intellectual Property Enforcement." We appreciate the great work being performed by the Office of the Intellectual Property Enforcement Coordinator (IPEC) and look forward to continuing our partnership with you and your staff to prevent the sale of counterfeit products to consumers in the United States and abroad.

As you may know, AAFA represents more than 300 apparel and footwear companies comprising approximately 850 of the world's most well-known brands. Our members account for more than \$360 million at retail each year in the United States alone. AAFA members rely heavily on their trademarks and brand names, which their customers associate with quality and style.

Counterfeit apparel, footwear, and fashion accessories are still some of most seized items by value at the U.S. border each year. While we recognize and appreciate the many enforcement successes over the last year, we also note the emergence and steady growth of counterfeiters' use of rogue Web sites to distribute illicit and potentially harmful goods to consumers.

In its annual IPR Report, U.S. Customs and Border Protection (CBP) noted the rapid increase in small, low-value shipments from these rogue Web sites, which look completely legitimate and ship direct to the consumer thereby avoiding many of the IPR examinations at the ports, which must focus on larger, high-value shipments.

Foreign counterfeit manufacturers have become technologically savvy in a very short time and are able to open thousands of these sites, which accept credit card payments and use search engine optimization tools and online ad placement services that often appear higher up in the search results than legitimate Web sites. As a result, consumers are being conned, companies are losing revenue, and counterfeiters are able to steal freely without any real risk of facing any legal or financial penalties even if caught. Moreover, these fake goods are often manufactured with hazardous and otherwise illegal chemicals, which pose a direct threat to consumers' health and safety.

In these efforts, we would ask the Administration and the IPEC office to facilitate a meeting between our industry and search engines to develop a partnership and strategy to take down sites that are known to sell fake apparel and footwear goods. Too many consumers have not yet discovered that organic search results can easily expose them to rogue Web sites.

We thank you for your ongoing efforts and look forward to working more closely with you and the search engines to combat the counterfeiting problem. Should you have any questions, please feel free to contact Kurt Courtney at (703) 797-9039.

Sincerely,

A handwritten signature in black ink, appearing to read 'Steve Lamar', is written over a white background.

Steve Lamar
Executive Vice President

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