

# Brand Protection Report

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# Introduction

Nearly three decades ago, Amazon set out to be Earth's most customer-centric company, where people can discover and purchase the widest possible selection of safe and authentic goods. When a customer makes a purchase in our store, they trust they will receive an authentic product, whether the item is sold by Amazon Retail or by one of millions of independent sellers. And when businesses choose to sell in our store, they trust we will provide a great selling experience free from competition with bad actors. We understand that customer trust is difficult to earn and easy to lose, which is why trust is at the foundation of the relationships we build and the innovations we make on behalf of our customers and selling partners.

In 2023, Amazon invested more than \$1.2 billion and employed more than 15,000 people—including machine learning scientists, software developers, and expert investigators—who were dedicated to protecting customers, brands, selling partners, and our store from counterfeit, fraud, and other forms of abuse.

The success of our brand protection strategy continues to focus on four key areas: (1) powerful and highly effective proactive efforts to protect our store, (2) industry-leading tools enabling rights owners to partner with us to better protect their brands, (3) advances in holding bad actors accountable, and (4) improved customer protection and education. This has been a journey over many years, and we have continued to find great success in stopping counterfeits.

Here are a few highlights from our 2023 Brand Protection Report that stand out as examples of progress in these four key areas:

- 1. Our innovations in seller vetting are deterring bad actors from attempting to create new selling accounts. Our robust seller verification uses document forgery detection, advanced image and video verification, and other technologies to quickly confirm the authenticity of government-issued identity documents and whether they match the individual applying to sell in our store. These technologies, coupled with continued innovation in our machine learning-based detection, are deterring bad actors from attempting to create new Amazon selling accounts. In 2023, Amazon stopped more than 700,000 bad actor attempts to create new selling accounts, stopping them before they were able to list a single product for sale in our store. This is down from 6 million attempts by bad actors to create new Amazon selling accounts in 2020.
- 2. While the number of products available for sale in our store continued to grow, the number of valid notices of infringement submitted by brands decreased. We continue to innovate and improve our automated brand protections, which leverage advanced machine learning models that use thousands of signals, including data provided by brands enrolled in Brand Registry. In 2023, our team used a variety of advanced machine learning models, including large language models, to systematically detect many different types of infringement, including complex visual intellectual property. Since 2020, while the number of products available for sale in our store has grown significantly, we have seen a more than 30% decrease in the total valid notices of infringement submitted by brands.

- 3. Working in partnership with brands and law enforcement around the world, we continue to successfully hold more bad actors accountable—stopping them from abusing our and other retailers' stores. Our efforts to identify and dismantle counterfeit organizations are working and having a positive, global impact. Since its launch in 2020, Amazon's Counterfeit Crimes Unit has pursued more than 21,000 bad actors through litigation and criminal referrals to law enforcement. In 2023, we identified, seized, and appropriately disposed of more than 7 million counterfeit products worldwide, preventing them from harming customers or being resold elsewhere in the retail supply chain. In addition to the disposal of counterfeit products, in 2023, Amazon strengthened its cross-border anti-counterfeiting collaboration with brands and Chinese law enforcement, which led to more than 50 successful raid actions with more than 100 bad actors identified and detained for questioning, many of whom are manufacturers, suppliers, or upstream distributors of counterfeit products. This collaboration resulted in numerous criminal convictions, including fines and prison sentences.
- 4. We are working with industry experts and associations to educate consumers on the danger of purchasing counterfeits. We recognize the importance of educating consumers about the risks of counterfeit goods, and we continue to pursue a number of avenues to drive better consumer education. As one example, in partnership with the International Trademark Association and DECA, Amazon launched the Unreal Campaign Challenge. The challenge asked students to produce a 60-second video that was a public service announcement about the dangers of purchasing counterfeits. The Unreal Campaign Challenge reached more than 177,000 global DECA members and the winners were recognized at DECA's annual International Career Development Conference in front of 22,000 students.

We are proud of the progress we have made in preventing counterfeits within our store. This has required significant innovation, and it would not be possible without the partnerships we have been able to build with brands, associations, policymakers, law enforcement, and others. While we believe we have made a great deal of progress, we remain committed to continued innovation and will not rest until we drive counterfeits to zero.

I invite you to read our 2023 Brand Protection Report, where you will find more detailed updates on these strategic areas of focus and the progress we have made in 2023.

Thank you,



#### **Dharmesh Mehta**

Vice President Worldwide Selling Partner Services, Amazon

# **Robust Proactive Controls**

### 븢 Key Insight

In 2023, Amazon stopped more than **700,000** bad actor attempts to create new selling accounts, stopping them before they were able to list a single product for sale in our store. This is down from 6 million attempts by bad actors to create new Amazon selling accounts in 2020.

Selling in Amazon's store opens a world of opportunity for entrepreneurs. We make it straightforward for businesses to set up a selling account, but very difficult for bad actors to do so. Through our continued investment in advanced machine learning, we have improved our proactive controls, automating and scaling our intellectual property protection and counterfeit detection systems. These systems operate continuously throughout every step of the process—from the moment someone tries to register a new selling account, create a new listing, or update existing listing information. In most cases, bad actors are stopped from even creating an account or listing a single product for sale, and prohibited content is stopped before a customer ever sees it.



Robust Proactive Controls Powerful Tools to Protect Brands  $\rightarrow$  Holding Bad Actors Accountable  $\rightarrow$ 



### **Seller Verification**

Amazon uses advanced technology and expert human reviewers to verify the identities of potential sellers. Prospective sellers are required to provide a variety of information, such as governmentissued photo IDs, taxpayer details, and banking information. We employ advanced identity detection methods like document forgery detection, advanced image and video verification, and other technologies to quickly confirm the authenticity of government-issued identity documents and whether they match the individual applying to sell in our store. In addition to verifying these, Amazon's systems analyze numerous data points, including behavior signals and connections to previously detected bad actors, to detect and prevent risks.

Amazon's systems continuously scan both new and existing seller accounts, reviewing changes in registration details, sellers' behavior, and analyzing various risk signals. In the event Amazon identifies risky changes, we promptly initiate an investigation using both automated and human review, request additional seller information if necessary, and take appropriate action.

# **700,000**

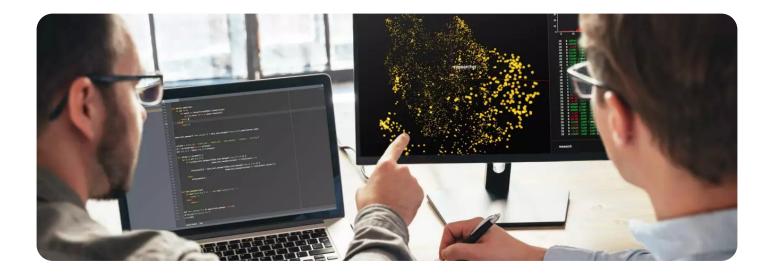
In 2023, Amazon stopped more than 700,000 bad actor attempts to create new selling accounts, stopping them before they were able to list a single product for sale in our store. This is down from 6 million attempts by bad actors to create new Amazon selling accounts in 2020.

Robust Proactive Controls Powerful Tools to Protect Brands  $\rightarrow$ 

Holding Bad Actors Accountable  $\rightarrow$ 

Protecting and Educating Customers  $\rightarrow$ 

6



### **Continuous Monitoring**

From the moment a seller lists a product for sale in our store, our advanced technology continually scans for potential infringement. Amazon's automated technology scans billions of attempted changes to product detail pages daily for signs of potential abuse, including the creation of new listings and changes to existing listings. For example, our tools use advanced machine learning to prevent the attempted listing of counterfeit or infringing products—scanning keywords, text, and logos which are identical or similar to registered trademarks or copyrighted work. We use the data and learnings gathered throughout these processes to innovate and improve our proactive protections. When we receive a valid notice of infringement or a customer complaint, our machine learning algorithms use this information to learn and improve protections for brands.



Amazon's proactive controls blocked more than 99% of suspected infringing listings before a brand ever had to find and report them.

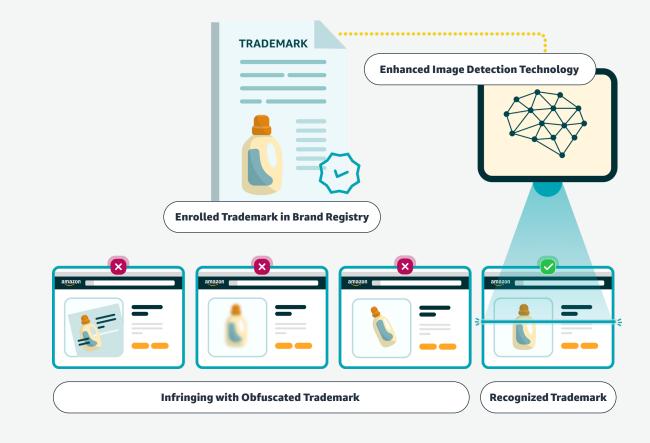
Powerful Tools to Protect Brands  $\rightarrow$  Holding Bad Actors Accountable  $\rightarrow$ 



#### How Amazon uses artificial intelligence (AI) to protect brands' intellectual property

Our teams leverage the latest advances in computer vision, risk, and large language models to build automated solutions that proactively identify and remove infringing listings from our store.

In 2023, through the use of cutting-edge technologies like computer vision and large language models, our teams have dramatically improved our ability to accurately detect complex visual IP infringements such as logos, shapes, and patterns. This includes infringements where logos are purposefully manipulated in an attempt to evade our detection systems. Due to the broad knowledge of large language models, they excel in handling complex repetitive tasks efficiently and with precision at scale. These advances allow Amazon to stay ahead of new and emerging bad actor tactics while scaling our protections, which systematically perform automated evaluations on tens of millions of product images each week.



Powerful Tools to Protect Brands  $\rightarrow$  Holding Bad Actors Accountable  $\rightarrow$ 

# **Powerful Tools to Protect Brands**

### 븢 Key Insight

Since 2020, while the number of products available for sale in our store has continued to grow, we have seen a more than **30%** decrease in the total valid notices of infringement submitted by brands.

When 7-year-old Alex had a vision to create a card game called Taco vs Burrito, his mom, Leslie Pierson, helped make it a reality. Leslie knew about Amazon Brand Registry, a free program that helps brands protect their intellectual property and listings through her prior experiences selling on Amazon. They started the trademark registration process to protect their brand before they launched. As a result, they were able to join Brand Registry right away, unlocking additional protection tools like Report a Violation, Transparency, and Project Zero to help them keep their intellectual property safe from bad actors. Watch the video here to learn more about their journey.



Click on the image above to watch the video.

Robust Proactive Controls  $\rightarrow$ 

Powerful Tools to Protect Brands Holding Bad Actors Accountable  $\rightarrow$ 

### **Brand Registry**

In 2017, we launched Amazon Brand Registry, a free service for brand owners regardless of whether they sell in our store. The service provides brands the ability to better manage and grow their brand with Amazon while protecting their intellectual property rights. Through the Report a Violation tool, brand owners can search for, identify, and report infringements and subsequently track their submissions within the dedicated Submission History dashboard.

Brand Registry allows Amazon to more effectively safeguard brands through automated protections that leverage machine learning and the data provided in Brand Registry. Our automated protections use the data brands provide to continuously scan Amazon's store and stop potentially infringing products from being listed. Within Brand Registry, the Impact Dashboard provides brands a snapshot of Amazon's proactive protections, including data on volume of infringing listings blocked or removed for each brand by country and product category.

In addition to brand protection tools, enrolling in Brand Registry unlocks a suite of brand-building tools only available to brand owners, including Brand Stores, Sponsored Brands, Brand Analytics, and many more powerful features.

### "

At Levi Strauss & Co., we value integrity and authenticity. Our partnership with the Amazon Brand Protection team has been instrumental in preserving the true essence of all our brands. Together, we are unwavering in our commitment to combat counterfeit goods and protect our intellectual property rights, ensuring that our customers receive only the genuine Levi Strauss & Co. experience when shopping on Amazon."

#### Zach Toczyński

Sr. Director, Global Brand Protection, Levi Strauss & Co.

### LEVI STRAUSS & CO.



Since 2020, while the number of products available for sale in Amazon's store has continued to grow, we have seen a more than 30% decrease in the total valid notices of infringement submitted by brands.

Powerful Tools to Protect Brands Holding Bad Actors Accountable  $\rightarrow$ 



#### Brand Registry gets a new, customized homepage

Based on feedback received from brands, Amazon redesigned the Brand Registry homepage, making our most used features, like Report a Violation and Impact Dashboard, easier to access, while giving brands the ability to customize their homepage layout based on their needs. Brands can now find information regarding notice accuracy, enrollment status, and relevant help pages right on the homepage.

Protect and monitor	All brands ~	All stores ~	7 days v	Brand suppo
Notices of infringement		View	submision history	Quick links
Oct 1 - Oct 7, 2022 Status Accepted O Partially accepted	ASIN count 51		_	Emroil a brand Enroil today so we can I brand to create a more buyers Manage intellectual p Manage or connect add
Rejected Under review Under review Under additional review Total ASINs	17 6 1 78	-	_	Properties to brands rel Access to Solling Bono View and manage the s set of exclusive benefits
TOLE ASING	Report a new violation			Report a Violation Search for and report ite on your intellectual prop
				Submission History View the history of your their status
Notifications				View how Amazon uses to help protect your bra
2 Alerts			~	Project Zero Learn how to remove co own from Amazon store
				22 User Permissions Add users and assign rol brand
New Brand Registry experience The redesigned homepage is filled w new Brand Registry experience.	ith features to better support the management a	and protection of your brands. Lea	m more about the	Case log Search, view and ask qu application status or pri-
New Impact Dashboard	to view how Amazon uses the information you sl			Contact us View resources and inqui related to protecting you

### "

The Impact Dashboard allows our brand to have a detailed view of proactive protections at our fingertips. This suggests trends across regions, product categories, and IP types, allowing us to learn and consider them across our entire brand protection program both online and offline. This self-service data sharing shows Amazon's commitment and uniqueness in fighting against the fakes and we are more than happy to collaborate with Amazon in protecting our IP and customers."

#### **HUGO BOSS IP Legal Department**

**HUGO BOSS** 

Powerful Tools to Protect Brands Holding Bad Actors Accountable  $\rightarrow$ 

### **Stopping Fraudulent Trademarks in Collaboration with the USPTO**

Amazon relies on the accuracy of the trademark information provided by brands in order to ensure that fraudulent trademark applications and registration are not used to enroll in Brand Registry. Amazon works with the United States Patent and Trademark Office (USPTO) to prevent fraud and abuse in the trademark system. Amazon directly receives and acts upon information from the USPTO regarding registration status and parties that have been subject to USPTO sanctions, including attorneys that have been blocked by the USPTO. We leverage this information to remove false, and otherwise abusive, brands and share trends within our store with the USPTO to support their investigation of potential fraud by anyone attempting to disrupt the U.S. Trademark Registration system. This information sharing also ensures that fraudulent trademark applications and registrations are not used to enroll in Brand Registry.

In 2023, Amazon strengthened its collaboration with the USPTO and began leveraging a combination of data and signals to identify sanctioned trademarks, helping our teams scale our efforts to detect and enforce bad actors in Brand Registry.

### **Amazon Patent Evaluation Express (APEX)**

In addition to providing trademark infringement and anti-counterfeiting protections, we launched APEX in 2018 to give utility patent owners a forum to effectively resolve patent infringement disputes at a much faster speed than the traditional court system. APEX allows brands to request evaluations for disputes of utility patents and track the decision process through the Report a Violation tool. Because of the technical complexity of many utility patents, a patent infringement lawsuit often lasts several years, costing hundreds of thousands of dollars or more. The APEX process invites a neutral third-party expert evaluator to determine if a product is infringing, reducing the time it takes to obtain a decision to an average of 30 days. This is much faster than the two years it takes for the average U.S. patent lawsuit to get to trial. The APEX process also ensures that the winning party does not pay any of the legal costs.



APEX cases are being decided in an average of 30 days, much faster than the two years it takes just to get to trial in a typical U.S. patent lawsuit.

Powerful Tools to Protect Brands Holding Bad Actors Accountable  $\rightarrow$ 



### Intellectual Property (IP) Accelerator

Amazon's IP Accelerator helps small businesses efficiently obtain intellectual property rights, offering a trusted and cost-effective way for business owners to protect their brands. IP Accelerator expedites a brand's access to Brand Registry, jump-starting Amazon's protection tools and brand-building benefits.

### "

As a multi-brand enterprise, our ability to build and protect our brands is critical. With IP Accelerator, we are able to quickly enroll in Brand Registry and take advantage of the brand protection tools Amazon offers."

#### **Robinson Cheng**

General Counsel, Anker Innovations Technology Co., Ltd.



15,000

Amazon's Intellectual Property Accelerator has helped more than 15,000 brands obtain trademark protection, supporting business owners from 38 countries and in 13 languages, through a network of trusted IP law firms.

Powerful Tools to Protect Brands Holding Bad Actors Accountable  $\rightarrow$ 



### **Project Zero**

Project Zero combines Amazon's advanced technology with the sophisticated knowledge that brands have of their own intellectual property and how best to detect counterfeits of their brands. This happens through our powerful brand protection tools, including automated protections, product serialization capabilities, and the unprecedented ability we give brands in Project Zero to directly remove counterfeit listings from our store.

### "

At Epson, we've partnered with Amazon to fully leverage their tools to combat counterfeiting, including Project Zero. Since its inception, we have proactively integrated it into our daily operations to enhance our efforts to deter counterfeit activities."

#### Carla Leguia

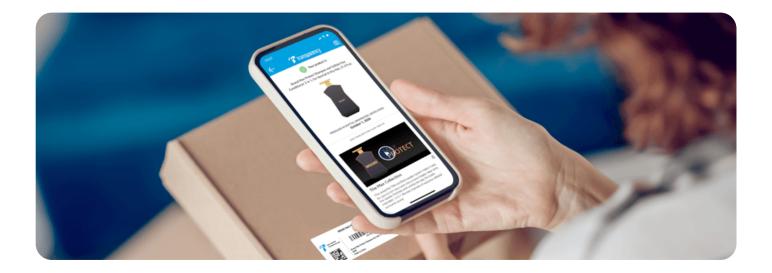
IP & Brand Protection Manager – North America, Epson





Since launch, Project Zero has empowered more than 25,000 brands to leverage the combined power of automated protections to proactively block infringements, the ability to immediately remove suspected counterfeit listings themselves, and serialization technology to proactively prevent counterfeit from reaching customers across the supply chain.

Powerful Tools to Protect Brands Holding Bad Actors Accountable  $\rightarrow$ 



### Transparency

Transparency is a product serialization service that prevents counterfeits from reaching customers by using codes to uniquely identify individual units of enrolled products. These codes can be scanned throughout the supply chain and by customers to verify authenticity using the Amazon Shopping App or Transparency App, regardless of where the products were purchased. Amazon verifies these codes to ensure that only authentic units are shipped to customers. When a customer shops in our store, a Transparency badge highlights that each item has a unique code applied by the brand that we verify before shipping. This badge is part of Amazon's mission to proactively prevent counterfeits and allow customers to verify that a product comes from the brand.



More than 1.6 billion product units enrolled in Transparency, whether sold in Amazon's store or elsewhere in the retail supply chain, have been authenticated as genuine through code scan verification.

Powerful Tools to Protect Brands Holding Bad Actors Accountable  $\rightarrow$ 



#### Transparency is interoperable with brands' own product serialization systems

Interoperability allows brands that already have their own product serialization on their products or packaging to easily, and more quickly, benefit from Transparency's counterfeit protections without requiring any changes to their existing manufacturing and packaging processes.



Amazon makes it easier for brands to join Amazon Transparency through new interoperability features Read More  $\rightarrow$ 

### "

Logitech has been a long-time user of Transparency, strategically partnering with Amazon to enhance our consumer protection through authentication. After initially using the Amazon-issued Transparency codes for our products, the new ability to use existing serial numbers to validate each separate unit shipped as genuine reduces complexity in the production process so that we can turn on protections more rapidly. This allows us to achieve our consumer experience goals while scaling and managing our global protection efforts, ultimately benefiting consumers globally."

#### Annie Joe

Global Vice President, Head of Global Supply Chain, Logitech

### logitech

Robust Proactive Controls  $\rightarrow$ 

Powerful Tools to Protect Brands Holding Bad Actors Accountable  $\rightarrow$ 

# **Brand Protection At a Glance**

Amazon's Programs and Tools

### **IP Accelerator**

Amazon's IP Accelerator helps small businesses efficiently obtain intellectual property rights, offering a trusted and cost-effective way for business owners to protect their brands.

### **Brand Registry**

Brand Registry provides brands the ability to better manage and grow their brand with Amazon while protecting their intellectual property rights.

### **Automated Brand Protections**

Our teams leverage the latest advances in artificial intelligence to build automated solutions that proactively identify and remove infringing listings from our store.

### **Impact Dashboard**

The Impact Dashboard provides brands a snapshot of Amazon's proactive protections, including data on volume of infringing listings blocked or removed for each brand by country and product category.

### **Project Zero**

Project Zero combines Amazon's advanced technology with the sophisticated knowledge that brands have of their own intellectual property and how best to detect and remove counterfeits of their brands.

### Transparency

Transparency is a product serialization service that prevents counterfeits from reaching customers by using codes to uniquely identify individual units of enrolled products.

### Amazon Patent Evaluation Express (APEX)

With APEX, utility patent owners can effectively resolve patent infringement disputes at a much faster speed than the traditional court system.

### **Counterfeit Crimes Unit (CCU)**

Amazon's Counterfeit Crimes Unit (CCU) works with brands, customs agencies, and law enforcement to track down counterfeiters, seize counterfeit inventory, and prosecute the bad actors involved.



# **Holding Bad Actors Accountable**

### 릦 Key Insight

In 2023, Amazon identified, seized, and appropriately disposed of more than **7 million** counterfeit products worldwide, preventing them from harming customers or being resold elsewhere in the retail supply chain.

In partnership with brands and law enforcement, we have been able to hold more bad actors accountable through civil litigation and criminal referrals to law enforcement organizations— working to stop them from abusing our and other retailers' stores across the industry in the future. While we believe we have made a great deal of progress, we remain committed to continued innovation and will not rest until we drive counterfeits to zero.

### **Counterfeit Crimes Unit**

Our Counterfeit Crimes Unit (CCU) is a global team that includes former federal prosecutors, FBI agents, expert investigators, and data analysts. CCU, customs agencies, and law enforcement share information to track down counterfeiters, shut down bad actors' accounts, seize counterfeit inventory, and prosecute those involved. CCU has disrupted counterfeiters and their networks through civil suits, joint enforcement actions, and seizures with law enforcement worldwide, including against suppliers, logistics providers, social media influencers, fake invoice providers, and more.



Since its launch in 2020, Amazon's Counterfeit Crimes Unit has pursued more than 21,000 bad actors through litigation and criminal referrals to law enforcement.

Powerful Tools to Protect Brands  $\rightarrow$ 

Holding Bad Actors

The fight against counterfeits is a global one, with bad actors operating across many retail channels and constantly trying new tactics in an attempt to evade our detection. When we find a counterfeit, we go beyond our store, working upstream to identify the warehouses and distribution network involved in the counterfeit production so we can prevent these products from re-entering the supply chain. This protects and benefits customers whether they are shopping on Amazon or elsewhere. As part of these efforts, Amazon strengthened its cross-border anti-counterfeiting collaboration with brands and Chinese law enforcement in 2023, which led to more than 50 successful raid actions with more than 100 bad actors identified and detained for questioning, many of whom are manufacturers, suppliers, or upstream distributors of counterfeit products. This collaboration resulted in numerous criminal convictions, including fines and prison sentences.

# **7 Million**

In 2023, Amazon identified, seized, and appropriately disposed of more than 7 million counterfeit products worldwide, preventing them from harming customers or being resold elsewhere in the retail supply chain.

### "

The collaboration between Amazon's CCU, the London Police's Intellectual Property Crime Unit, and Philips has been instrumental to protect our customers from counterfeit electric-toothbrush heads. This successful raid emphasizes the importance of collaboration between companies and law enforcement to combat counterfeiting and uphold our commitment to improve people's health and well-being through meaningful innovation."

#### Hannie van Iersel

Head of Trademark and Design, Philips

PHILIPS

"

The Amazon and BMW teams have come together in the fight against counterfeit in a way that exemplifies true partnership. Leveraging their machine learning technology to identify and target counterfeit indicators provided by our team has yielded solid results—most recently with the filing of the joint civil action in October 2023. We are proud of what we've been able to accomplish together so far to keep customers safe from bad actors and are motivated to continue to work together to achieve a lasting impact."

#### Dr. Jochen Volkmer

Head of Intellectual Property Law, Trademarks, Designs, BMW Group

BMW GROUP

 $\begin{array}{l} \text{Robust Proactive} \\ \text{Controls} \ \rightarrow \end{array}$ 

Powerful Tools to Protect Brands  $\rightarrow$ 

Holding Bad Actors Accountable



#### **Counterfeit Crimes Unit in the news**



Amazon's Counterfeit Crimes Unit's collaboration with brands and law enforcement result in global raids

<u>Read More</u> →



How Amazon's counterfeit crimes unit works to keep fake products from landing on your doorstep

<u>Watch</u> →



Amazon and Canon file joint lawsuit to protect customers and hold counterfeiters accountable

<u>Read More</u>  $\rightarrow$ 



Strategic collaboration between Amazon's Counterfeit Crimes Unit and the Prada Group leads to international counterfeiter's guilty plea <u>Read More</u>  $\rightarrow$ 



Amazon's Counterfeit Crimes Unit files lawsuits against bad actors attempting to use social media to knowingly sell counterfeit luxury items

<u>Read More</u> →

Powerful Tools to Protect Brands  $\rightarrow$ 

Holding Bad Actors Accountable



Amazon alongside co-presenters Church & Dwight and Kenvue at the IACC 2023 Annual Conference.

### **Blueprint for Public and Private Sector Partnership to Stop Counterfeiters**

In 2021, we launched a blueprint for private and public sector partnership to stop counterfeiters. Since publishing the blueprint, the importance of private and public sector collaborations has grown alongside interest in these partnerships. We are excited to see these relationships expanding and are encouraged that others in the industry are adopting the practices we are championing.

In 2023, we saw a number of successes within each pillar of the blueprint:

1. Exchanging information about counterfeit activity to help stop counterfeits at the border: Amazon advocates for greater information sharing to stop counterfeits at the border. We continue to expand our work with customs agencies to mutually exchange information on counterfeit activity. We can aid customs agencies in their detection, search and seizure efforts, and strengthen law enforcement's ability to dismantle criminal networks behind these illicit goods. Customs agencies can work with us to not only stop the shipments they seize, but to also help freeze other assets and inventory from counterfeiters that we may know about.

In 2023, Amazon became the first retailer to join the European Union Intellectual Property Office (EUIPO) Intellectual Property Enforcement Portal (IPEP). The IPEP includes customs officials, police authorities, rights holders, and now retailers, who are dedicated to identifying, detecting, and stopping counterfeits from reaching consumers within the EU. Amazon now has formal information-sharing partnerships with customs and law enforcement agencies in three major regions: the United States, the European Union, and Japan. In 2023, Amazon partnered with U.S. and Japanese customs agencies in stopping more than 100,000 counterfeits from reaching domestic supply chains and harming customers.

Robust Proactive Controls  $\rightarrow$ 

Powerful Tools to Protect Brands  $\rightarrow$ 

Holding Bad Actors

### 2. Sharing information about blocked counterfeiters to help the industry stop more

**counterfeiters earlier:** We believe that there should be more private sector information-sharing. As we laid out in the 2021 blueprint, it's critical that both private and public sector partnerships include greater sharing of information. Our membership in the Anti-Counterfeiting Exchange (ACX), which is an industry collaboration in the U.S., is designed to make it more difficult for counterfeiters to move among different stores, and safer for consumers to shop anywhere they choose. We are eager to see the same or similar efforts across the globe, which will help partners across the industry expand their individual and collective efforts to detect counterfeits and stop them from reaching consumers. We continue to support collaborative anti-counterfeiting best practices in the EU, such as those laid out in the EU Toolbox against counterfeiting and the framework of the EU Memorandum of Understanding.

**3.** Increasing resources for law enforcement to prosecute counterfeiters: Amazon acknowledges and respects the hard work of law enforcement and prosecutors in fighting counterfeiters around the world. We are proud of our collaborations with agencies to combat these criminals and will continue to share information regarding confirmed counterfeiters blocked from selling in our store. We will continue to go further and provide authorities with high-quality criminal referrals and evidence to enhance their ability to hold counterfeiters accountable and dismantle the criminal networks behind these illicit goods.

In 2023, Amazon signed a Memorandum of Understanding (MOU) with the Italian Ministry of Internal Affairs that aims to bolster the fight against counterfeiters in Italy. Through the MOU, Amazon shares information about identified counterfeiters with the Ministry, supporting their internal efforts to develop policies and resources that support law enforcement action and prosecution. Through this partnership, Amazon and the Ministry have highlighted the importance of collaboration and prioritizing anti-counterfeiting resources for law enforcement. Amazon's efforts in leading public and private sector collaborations and developing new proactive anti-counterfeiting strategies were highlighted by the Ministry in their five-year report, "Counterfeiting: The evolution of this criminal phenomena in the online and offline market (2018-2022)." Read More  $\rightarrow$ 

While we are proud of the partnerships and collaborations that we have developed across the public and private sectors over the past year, we know that there is more that can be done to raise the bar on anti-counterfeiting efforts.

Robust Proactive Controls  $\rightarrow$ 

Powerful Tools to Protect Brands  $\rightarrow$ 

Holding Bad Actors Accountable

### Robust Proactive Controls $\rightarrow$

Powerful Tools to Protect Brands  $\rightarrow$ 

### Sharing Best Practices and Continuing to Improve Together

Amazon continues to work with leading industry associations and non-profit organizations to get feedback that helps us continue to improve our programs, and share our best practices to help others be more successful, identify trends, pilot new capabilities, and ultimately, better protect customers and brands.

### "

The IACC-Amazon Program's continuing success story is a testament to the strong collaboration between our teams and IACC brand membership. Launched in 2018, this groundbreaking initiative revolutionizes IP enforcement for the rights-holder community by proactively protecting brands and resolving the unique enforcement issues they face in a constantly evolving landscape. We are inspired by the impact these partnerships are having and we eagerly anticipate forging ahead with Amazon and our IACC brand members, continuing to make significant strides in this dynamic arena."

### **Bob Barchiesi**

President, International AntiCounterfeiting Coalition

### "

The Asia Toy & Play Association and Amazon share mutual objective of protecting customers from counterfeits. Amazon's constant efforts and investments in protecting brands' intellectual property demonstrates their commitment to end this menace. We greatly value our collaboration with Amazon which ensures the safety and authenticity of toys delivered to children."

### Matteo Vezzosi

Executive Director, Asia Toy & Play Association

## "

The mission of our association is to safeguard the intellectual property rights of our members while fostering a safer environment for consumers in the e-commerce space. Our longstanding collaboration with Amazon embodies this commitment. We recognize that combating intellectual property infringement is a challenge that cannot be tackled alone. It needs a collective effort from the entire community of stakeholders impacted by bad actors."

Protecting and

Educating Customers  $\rightarrow$ 

**Holding Bad Actors** 

Accountable

Mario Peserico

President, INDICAM

PER LA TUTELA DELLA PROPRIETÀ INTELLETT









# **Protecting and Educating Customers**

### 븢 Key Insight

In partnership with the International Trademark Association, Amazon launched the Unreal Campaign Challenge, reaching **177,000** global DECA members, asking them to produce a 60-second public service announcement (PSA) video that highlights the dangers of purchasing counterfeit. The winners were recognized at DECA's annual International Career Development Conference (ICDC) in front of **22,000** students.

### **Partnering with Industry**

We recognize the importance of educating consumers about the risks of counterfeit goods, and we continue to pursue a number of avenues to drive better consumer education.

In Spain, we recorded a podcast with the Spanish Patent and Trademark Office to raise consumer awareness; in Poland, we worked with the Consumer Forum on the "live originally" campaign; in India, we partnered with a leading industry association and held capacity-building workshops across the country; and in the UK, we partnered with Crimestoppers on a yearlong social media campaign warning the public about the dangers of fake goods.

On World IP Day 2023, we initiated a campaign in partnership with the USPTO and leading Chinabased industry associations. Through a series of live-streams, videos, and in-person events, we provided our selling partners in Shenzhen, Guangzhou, and Ningbo educational materials on the importance of protecting their IP.

Robust Proactive Controls  $\rightarrow$ 

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Holding Bad Actors Accountable  $\rightarrow$ 

Protecting and Educating Customers



Amazon celebrates the winners of the 2023 Unreal Campaign Challenge.

In partnership with the International Trademark Association, Amazon launched the Unreal Campaign Challenge, reaching 177,000 global DECA members, asking them to produce a 60-second public service announcement (PSA) video that highlights the dangers of purchasing counterfeit. The winners were recognized at DECA's annual International Career Development Conference (ICDC) in front of 22,000 students.

### "

With the support of Amazon, INTA's Unreal Campaign is driving awareness among young consumers about the dangers of counterfeit goods. Young consumers shop across all types of retailers and can be particularly vulnerable to these illegal activities. We look forward to continuing the great work we've done with the Unreal Campaign, working with Amazon to ensure our message and education reaches our audience and helps protect them from harm."

#### Eryck Castillo

Chair of the Unreal Campaign Committee, INTA



Powerful Tools to Protect Brands  $\rightarrow$ 

Holding Bad Actors Accountable  $\rightarrow$ 

Protecting and Educating Customers



### **Customer Guarantee**

For decades, our A-to-z Guarantee has ensured that customers are covered and eligible for a full refund for any item they purchase if the customer isn't happy with the condition or timely delivery of that product. This protects customers whether they bought the item from Amazon or an independent selling partner. Over the last few years, we went even further. Even if a customer doesn't contact us, if we identify a customer purchased a counterfeit product, Amazon proactively contacts the customer, informs them they purchased a counterfeit product, and fully refunds their purchase. No customer action is necessary.

Powerful Tools to Protect Brands  $\rightarrow$ 

Holding Bad Actors Accountable  $\rightarrow$ 

Protecting and Educating Customers

# Data At a Glance

Amazon's Brand Protection Efforts

# **1.2 Billion**

In 2023, Amazon invested more than \$1.2 billion and employed more than 15,000 people – including machine learning scientists, software developers, and expert investigators – who were dedicated to protecting customers, brands, selling partners, and our store from counterfeit, fraud, and other forms of abuse.

# 7 Million

In 2023, Amazon identified, seized, and appropriately disposed of more than 7 million counterfeit products worldwide, preventing them from harming customers or being resold elsewhere in the retail supply chain.

# 15,000

Amazon's Intellectual Property Accelerator has helped over 15,000 brands obtain trademark protection, supporting business owners from 38 countries and in 13 languages, through a network of trusted IP law firms.

## 99%

Amazon's proactive controls blocked more than 99% of suspected infringing listings before a brand ever had to find and report them.

# **1.6 Billion**

More than 1.6 billion product units enrolled in Transparency, whether sold in Amazon's store or elsewhere in the retail supply chain, have been authenticated as genuine through code scan verification.

## **30 Days**

Amazon Patent Evaluation Express (APEX) cases are being decided in an average of 30 days, much faster than the two years it takes just to get to trial in a typical U.S. patent lawsuit.

## 700,000

In 2023, Amazon stopped more than 700,000 bad actor attempts to create new selling accounts, stopping them before they were able to list a single product for sale in our store. This is down from 6 million attempts by bad actors to create new Amazon selling accounts in 2020.

### 30%

Since 2020, while the number of products available for sale in Amazon's store has continued to grow, we have seen a more than 30% decrease in the total valid notices of infringement submitted by brands.

# 25,000

Since launch, Project Zero has empowered more than 25,000 brands to leverage the combined power of automated protections to proactively block infringements, the ability to immediately remove suspected counterfeit listings themselves, and serialization technology to proactively prevent counterfeit from reaching customers across the supply chain.

# 21,000

Since its launch in 2020, Amazon's Counterfeit Crimes Unit has pursued more than 21,000 bad actors through litigation and criminal referrals to law enforcement.

Learn more about how we are constantly innovating and improving to protect customers and selling partners at <u>https://trustworthyshopping.aboutamazon.com/</u>



