



The following summary highlights key findings of the U.S. Chamber of Commerce GIPC survey, conducted among U.S. adults age 18+.

Key findings:

- The vast majority of respondents believe that intellectual property infringements (e.g. counterfeit or pirated goods, design infringement) pose a major challenge for their organization, and most report that the number of instances of counterfeit and pirated goods trafficking has increased by a lot in the past two years (64%). Similarly, 7 in 10 say that their company's budget used to combat counterfeit goods trafficking has also increased over the last five years (73%). This seems to be a particular challenge for companies that own patents.
- Using fake content to appear to represent your company's goods/services is the most common tactic used by counterfeiters (66%).
- Companies believe that broader information sharing around problem sellers and unauthorized distributors is the most effective means of combatting counterfeit goods trafficking. The vast majority believe the U.S. government and law enforcement should continue to play a role in tackling this issue, via real-time information sharing and more information on seizures.

Challenge of Counterfeit Goods Found Online

Nearly 9 in 10 are very aware of the challenge of counterfeit goods found on online marketplaces (89%). Companies that own patents are significantly more likely to be very aware of this (97%), followed by companies that own trade secrets (96%).

The biggest challenge for respondents by far is intellectual property infringements such as counterfeit or pirated goods and design infringement (95%). This is followed by keeping up with changing e-commerce technologies (27%), visual presentation of products (25%), keeping up with changing consumer demands (14%), managing shipping and logistics (11%), and maintaining effective customer service communication (9%). Companies that own trademarks, trade secrets, and patents (12%, 19%, and 13% respectively) are more likely to see managing shipping and logistics as a challenge than companies that own copyrights (5%).

Impact on Company Products and Budget

Within the last two years, the majority report that instances of counterfeit and pirated goods trafficking of company products have increased (86%), with 64% who say it increased *a lot*. Companies that own patents are significantly more likely to report that these instances have increased a lot (77%). Similarly,

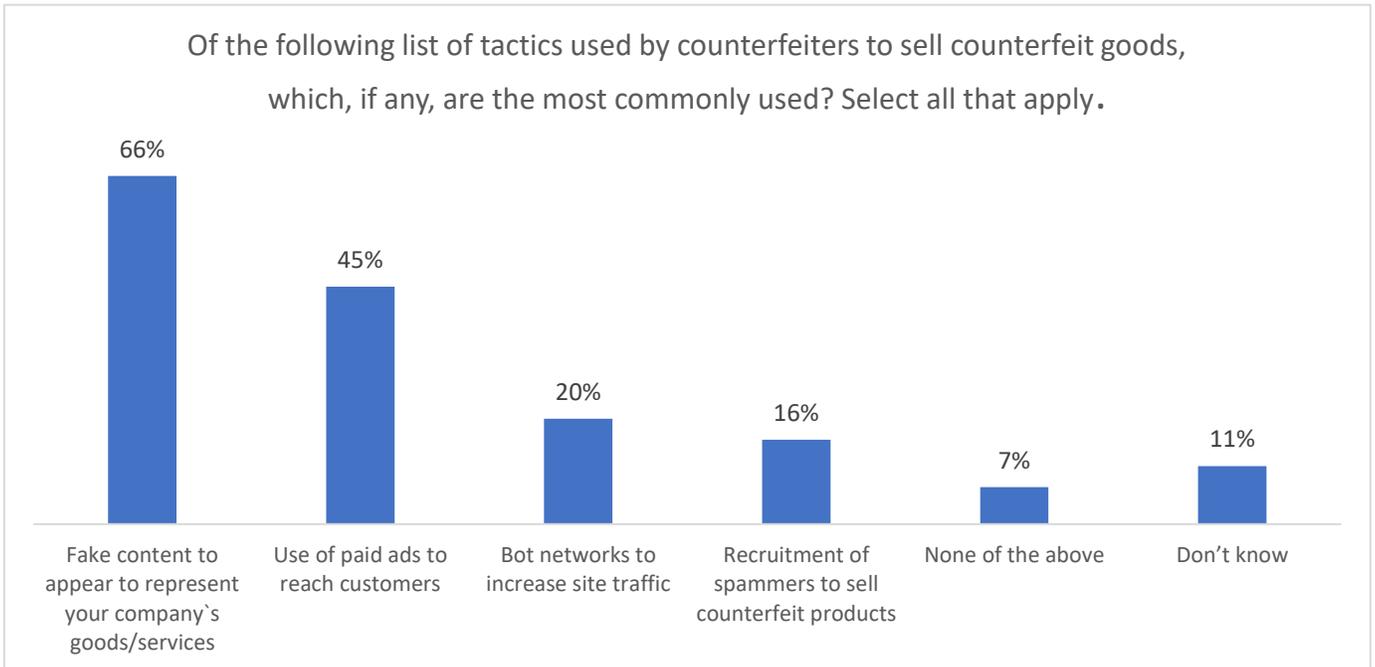


companies that own patents are also more likely to agree that counterfeit goods trafficking is a major issue in their industry (97%) compared to 82% of total respondents.

When thinking about the impact on a company's budget, 7 in 10 respondents say that their company's budget used to combat counterfeit goods trafficking increased over the last five years (73%). Annually, less than a fifth estimate that their company loses over \$100MM (16%) and just under two-fifths estimate under \$100MM (39%).

Common Tactics Used by Counterfeiters

By far, the most common tactic used by counterfeiters is fake content to appear to represent a company's goods/services (66%). Companies that own copyrights are significantly more likely to consider this to be common than companies that own trademarks (76% and 68% respectively). The second most common tactic is the use of paid ads to reach customers (45%), followed by bot networks to increase site traffic (20%), and recruitment of spammers to sell counterfeit products (16%).



Measures to Combat Counterfeit Goods Trafficking

When asked which enforcement tool would be the most effective in combatting counterfeit and pirated goods trafficking, the majority answered information sharing between platform and brand owners around problem sellers and unauthorized distributors (52%). Companies that own patents are more likely to consider this to be an effective enforcement tool (67%) than companies that own copyrights, trademarks and trade secrets (51%, 55%, and 56% respectively).





The vast majority of companies implement a brand protection program (89%) and this is significantly higher in companies that own trademarks, trade secrets and patents (95%, 96%, and 97% respectively).

Considering the role of the U.S. government, the vast majority view real-time information sharing (93%) and more information on seizures (91%) to be the most valuable in preventing counterfeit and pirated goods trafficking. Eight in 10 of survey respondents view working with law enforcement in tackling counterfeit goods trafficking as effective. However, only 32% say working with law enforcement is *very* effective compared to 48% who say it's *somewhat* effective. Greater intensity is shown when respondents are asked whether additional law enforcement resources should be allocated to tackling illicit trafficking. A much greater number *strongly* agree with this (77%) than *somewhat* agree (16%).





About the Study

These are some of the findings of an Ipsos poll conducted between September 3-27, 2019 on behalf of the U.S. Chamber of Commerce. For this survey, a sample of roughly 44 adults age 18+ from the continental U.S. Alaska and Hawaii was interviewed online in English.

The sample for this study was randomly drawn from Ipsos' online panel (see link below for more info on "Access Panels and Recruitment"), partner online panel sources, and "river" sampling (see link below for more info on the Ipsos "Ampario Overview" sample method) and does not rely on a population frame in the traditional sense. Ipsos uses fixed sample targets, unique to each study, in drawing a sample. After a sample has been obtained from the Ipsos panel, Ipsos calibrates respondent characteristics to be representative of the U.S. Population using standard procedures such as raking-ratio adjustments. The source of these population targets is U.S. Census 2016 American Community Survey data. The sample drawn for this study reflects fixed sample targets on demographics. Posthoc weights were made to the population characteristics on gender, age, race/ethnicity, region, and education.

Statistical margins of error are not applicable to online non-probability polls. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error and measurement error. Where figures do not sum to 100, this is due to the effects of rounding. The precision of Ipsos online polls is measured using a credibility interval. In this case, the poll has a credibility interval of plus or minus 16.8 percentage points for all respondents. Ipsos calculates a design effect (DEFF) for each study based on the variation of the weights, following the formula of Kish (1965). This study had a credibility interval adjusted for design effect of the following (n=44, DEFF=1.5, adjusted Confidence Interval=+/-18.3 percentage points).