



Brand Protection Report



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Introduction

Amazon is known for its customer obsession, and a critical part of that is earning and maintaining our customers' trust, which is why we are so focused on creating a trustworthy shopping experience each and every day. Today, we and our millions of selling partners – the vast majority of which are small and medium-sized businesses – serve hundreds of millions of customers worldwide. Our customers expect that when they purchase an item in our store, sold either by Amazon or by one of our third-party selling partners, they will receive an authentic product.

In 2021, Amazon invested more than \$900 million and employed more than 12,000 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. I am proud of the incredible results that our team has delivered – in partnership with rights owners, law enforcement, and others – to ensure our store is one where customers can continue to shop with confidence.

This is our second Amazon Brand Protection Report, and it details a wide range of exciting progress. We remain focused on the same three key areas of our strategy that we mentioned last year: powerful and highly effective proactive efforts to protect our store, industry-leading tools enabling rights owners to partner with us to better protect their brands, and holding bad actors accountable. A few highlights include:

1. Our robust seller and product vetting coupled with our efforts to hold bad actors accountable are deterring bad actors from even attempting to enter our store. In 2021, we stopped over 2.5 million attempts to create new selling accounts, preventing these bad actors from publishing even a single product for sale. This is down from over 6 million attempts the prior year.
2. We saw continued growth in the adoption and efficacy of our automated brand protection tools, which continue to reduce the number of issues that brands are able to find and report to us. In 2021, Brand Registry grew to include over 700,000 active brands, an increase of 40% from the prior year. At the same time, the average number of valid notices of infringement submitted by a brand in Brand Registry decreased by 25% from the prior year.
3. We continue to focus on ensuring counterfeiters are held accountable – stopping them from abusing our store and those of other retailers across the industry.
 - Amazon's Counterfeit Crimes Unit (CCU) sued or referred for investigation over 600 criminals in the U.S., U.K., EU, and China, an increase of 300% from the previous year.
 - We identified, seized, and appropriately disposed of more than 3 million counterfeit products, preventing them from harming customers or being resold elsewhere in the retail supply chain. This includes counterfeits that were attempted to be sent into our fulfillment network and situations where we worked with brands and law enforcement to find counterfeiters' warehouses and facilities and get them shut down.
 - Building on our learning and progress in protecting our store, we published a blueprint for public and private sector partnership to stop counterfeiters. This included the importance of information exchanges in the private sector to stop counterfeiters across retailers, partnering with customs to protect the borders, and the need for increasing resources for law enforcement to prosecute counterfeiters. While it is still early in this journey, we are excited that the blueprint has helped spark productive dialogue with others and that we are engaging in multiple data sharing pilots and seeing some early legislative wins.

This year, we included a fourth area of focus: educating and supporting customers. We launched several new efforts that educate consumers on why they should only purchase authentic products. We also continue to invest in how we both proactively and reactively address issues. If something goes wrong, customers can be confident they will always be taken care of.

Since opening our doors in 1995, trust has been at the foundation of everything we do. Nearly 27 years later, we are more effective than ever at protecting customers, brands, selling partners, and our store. While we are proud of the progress we have made, we will not stop until we drive counterfeits to zero in our store, and we will continue to invest and innovate until we get there. We also appreciate the growing industry-wide partnership and collaboration in the fight against counterfeit. We are excited about what we can do together to hold bad actors accountable and ensure the entire industry is rid of counterfeits.

I invite you to read our 2021 Brand Protection Report.

Thank you,



Dharmesh Mehta

*Vice President, Worldwide Selling
Partner Services, Amazon*

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Our Commitment to Brand Protection

We begin this report as we did last year, with our continuing goal of being earth's most customer-centric company, where people can find and discover the widest possible selection of authentic goods. We work hard to earn and maintain customer trust, and we strictly prohibit the sale of counterfeit products. We constantly innovate to detect and prevent counterfeit products from reaching our customers.

Our brand protection strategy remains focused on three pillars: proactive controls, powerful tools for brands, and holding counterfeiters accountable. And this year, we added a new pillar focused on educating and supporting customers. We are proud to share our progress and latest innovations in this Brand Protection report.



Section 1: Robust Proactive Controls

Selling in Amazon's store opens a world of opportunity for entrepreneurs. We make it straightforward for entrepreneurs to set up a selling account but very difficult for bad actors to do so.

Amazon has built industry-leading tools to verify potential sellers' identities by using a combination of advanced technology and expert human reviews. Prospective sellers are required to provide a government-issued photo ID and information about their identity, location, taxpayer information, bank account, credit card, and more. Our proprietary systems analyze hundreds of unique data points to verify the information and detect potential risk.

Seller Verification

In 2021, we made it even harder for a bad actor to register a selling account. A key part of our account verification process that helped make this possible is our in-person verification program, which requires prospective sellers to have one-on-one conversations with one of our team members to verify their identity and documentation. This process is further enhanced through verification of the seller's physical location and payment instruments. We also leverage machine learning models that use hundreds of data points about the prospective account to detect risk, including relations to previously enforced bad actors.

In 2021:



We continued to scale in-person verification and by the end of the year, 100% of new sellers were required to pass this verification if they wanted to sell in our stores for the U.S. (Amazon.com), U.K., Canada, EU member countries, Japan, and several other countries.



We stopped over 2.5 million attempts to create new selling accounts before they were able to publish a single product for sale, a decrease from over 6 million attempts the prior year. Our robust seller vetting and our efforts to hold bad actors accountable are deterring bad actors from attempting to enter our store.

Continuous Monitoring

We are constantly monitoring our store for potential infringement. From the moment a seller lists a product for sale in our store, our advanced technology continually scans for potential counterfeit, fraud, and abuse – including as future changes are submitted for the product. When we need to take a closer look at a possible issue, we sideline listings for detailed review by our expert investigators. And when we identify an issue, we act quickly to protect customers and brands, including removing the problematic content or listing, blocking accounts, withholding funds, and referring bad actors to law enforcement.

- Amazon’s automated technology scanned more than 8 billion attempted changes to product detail pages daily for signs of potential abuse, compared to more than 5 billion in 2020.
- Amazon blocked more than 4 billion bad listings before they were listed in our store. These listings were suspected of being fraudulent, infringing, counterfeit, at risk of other forms of abuse, or presenting significant product quality concerns.

Stopping Bad Actors Through Information Exchange with the USPTO

Amazon supports the goals of the United States Patent and Trademark Office (USPTO) to prevent fraud and abuse in the trademark system. High-quality trademark applications ultimately benefit all businesses, large and small, by quickly getting registrations into the hands of creators and innovators.

In 2021, we enhanced our communication and support with the USPTO. Amazon now directly ingests information from the USPTO regarding registration status and parties that have been subject to USPTO sanctions, including colluding attorneys, to ensure that fraudulent trademark applications and registrations are not used to enroll in Brand Registry. Additionally, we leverage this information to surface signs of potential abuse within our stores. Similarly, Amazon shares information regarding abusive behaviors and trends within our stores with the USPTO to support their investigation of potential fraud by their applicants and registrants.

The channel of communication is a win-win – the USPTO is able to improve the quality of its information and Amazon is able to improve the accuracy of Brand Registry. In 2021, this deepening level of dialog allowed us to stop 2,000 attempts to use a fraudulent USPTO trademark to register in Brand Registry. We look forward to continuing to advance our support of the USPTO and to expand to other registrars globally.



Philips and Amazon continue their collaboration to enhance the integrity of the PHILIPS brand on Amazon, by deepening analysis on abusive seller behavior, and to create more opportunities for legal enforcement by both companies.”

PHILIPS

Section 2:

Powerful Tools to Protect Brands

Brand Registry

In 2017, we launched Amazon Brand Registry – a free service for brand owners regardless of whether they sell in our store – giving brands the ability to manage and protect their brand and intellectual property rights on Amazon. Through the Report a Violation tool, brand owners can search for, identify, and report infringements and subsequently track their submissions within a dedicated dashboard. Brand Registry also allows Amazon to more effectively safeguard brands through automated protections that leverage machine learning and the data provided in Brand Registry. Our automated protections continuously scan Amazon’s stores to surface potentially infringing products. In 2021:

- Brand Registry had over 700,000 brands enrolled, compared to over 500,000 in 2020, a 40% increase.
- Through continued improvements in our automated protections, brands found fewer infringing products in Amazon’s store. The average number of valid notices of infringement submitted by a brand in Brand Registry decreased by 25% from 2020.

“As a major international e-commerce platform, Amazon cares about rights owners’ voices and requests very much. They have Brand Registry tool to deal with takedown requests, provides a serialization service through ‘Transparency,’ as well as offers ‘Project Zero,’ which empowers rights owners to take action to protect their brands. All these efforts bring great convenience to our brand protection and anti-counterfeit work, and sets a good model for other e-commerce companies. We look forward to our continued in-depth work with Amazon to create a more reliable e-commerce environment together for consumers around the world.”



“Protecting brands against infringement requires constant vigilance and continuous innovation. The valuable information provided by brands via Brand Registry allows us to proactively prevent infringing products from surfacing in our stores worldwide. We take great pride in our mission to protect brands and customers.”



Raj Kizhakkalathil,
Director, Brand Registry, Amazon



IP Accelerator

Amazon IP Accelerator helps businesses more efficiently obtain intellectual property rights, which helps brands protect their IP in every store, everywhere, not just on Amazon. These businesses can also register for Brand Registry, even with a pending trademark, allowing them to utilize and benefit from some of Amazon's tools to protect their brand. IP Accelerator connects businesses with a curated network of trusted IP law firms, which provide high-quality trademark registration services at competitive rates. In 2021:

- We connected more than 5,900 small and medium-sized businesses (SMBs) to our network of trusted law firms through IP Accelerator. Since the program's original launch in 2019, over 12,000 brands have enrolled in Brand Registry through IP Accelerator.
- We launched IP Accelerator in five additional countries: Australia, Brazil, Canada, Mexico, and Singapore, building on prior availability in the US, Europe, India, Japan, and the U.K..
- We expanded the set of IP Accelerator attorneys to now be able to serve SMBs in 11 languages: English, French, German, Japanese, Korean, Mandarin, Spanish, Hindi, Gujarati, Italian, and Portuguese.

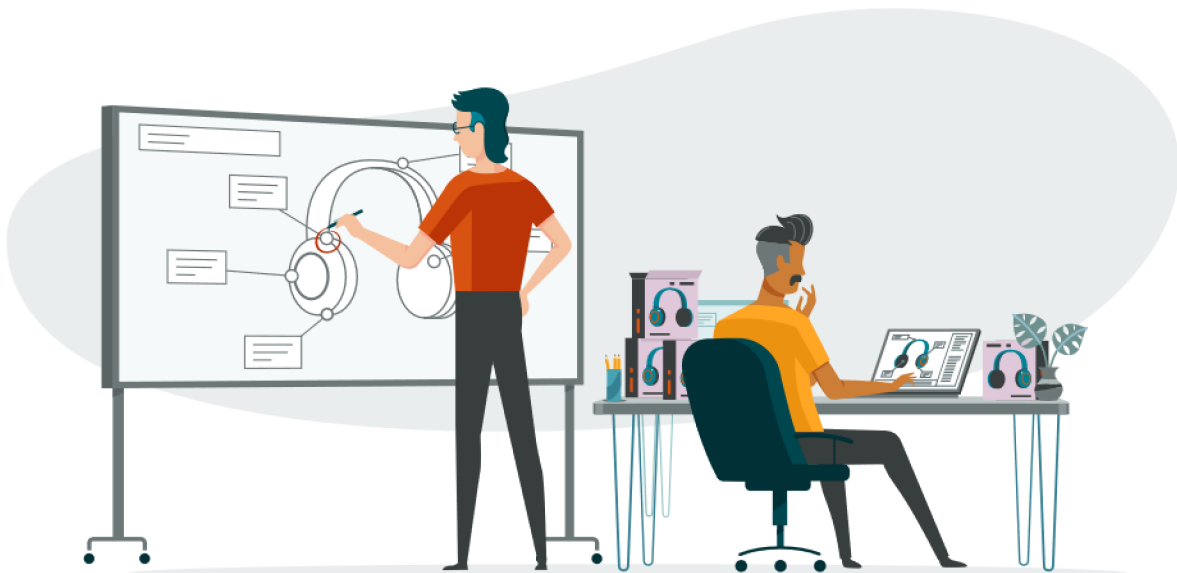
“We, at MAVEN IP, have had a tremendous experience in the IP Accelerator program. The IP Accelerator program, which gives Amazon sellers a fast-track to Brand Registry with a pending federal trademark application, has opened business owners' eyes to the importance and relevance of securing trademark rights. Not only are we seeing owners of small and medium-sized businesses engaged in securing trademark rights, but we have observed their interest in creating distinctive marks that warrant the most protection.”

Janet Moreira,
Maven IP



“The IP Accelerator provides first-time and seasoned sellers with the tools they need to navigate the branding process. It's been a pleasure assisting sellers with the searches and filings that help them bring their ideas to fruition and build their brands with confidence.”

Meichelle MacGregor,
Cowan, Liebowitz & Latman PC



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 the unprecedented ability we give brands to directly remove listings from our store. In 2021:

- Project Zero enrolled an additional 2,000 brands, increasing the total number of brands enrolled in Project Zero to over 20,000.
- Among brands in Project Zero, for every one listing removed by a brand, Amazon's automated protections proactively removed more than 1,000 suspected infringements.

“Project Zero is a fantastic initiative by Amazon. The tool has brought relief to brand owners and works in a seamless manner. We appreciate Amazon for initiating proactive brand protection programs. We feel confident our brand and customers are protected.”



Transparency

Transparency is a product serialization service that prevents counterfeits from reaching customers around the world. Brands label every single unit of a selected product with a unique code, which can be scanned to verify the unit's authenticity throughout the supply chain. While any retailer can choose to verify these codes, for products enrolled in Transparency, Amazon verifies 100% of these product units. Items without a valid code are identified and stopped, so only genuine products reach customers. In 2021:

- Transparency enrolled more than 23,000 brands globally, an increase of 35% compared to 2020.
- Transparency enabled the protection of more than 750 million product units, a 50% increase compared to 2020.

In 2021, we launched Transparency's track and trace service that allows brands to trace products in their distribution channels and to access enhanced analytics on customer returns. This service helps brands visualize trends in product defects at a factory or manufacturing lot level and fix root causes.

“Transparency gives us confidence. Every single product we sell has a unique code, so we can make sure potential bad actors do not profit from our hard work.”



“Transparency has given us the confidence to really shift the focus from just protecting our brand to growing our brand.”



You can learn more about how Transparency directly from these brands by reading the following case studies:

[➤ Koala Babycare case study](#)

[➤ Mindbeast case study](#)

Amazon Patent Evaluation Express

Amazon launched the Amazon Patent Evaluation Express (APEX) pilot in 2018 to give utility patent owners a forum to more effectively resolve patent infringement disputes and to significantly reduce the cost burden on both parties. In 2021, APEX was officially launched as a feature within Brand Registry's Report a Violation tool, enabling brands to request evaluations for disputes of utility patents through the tool and track the decision process.

Because of the technical complexity of many utility patents, it can be complicated to determine if a product is infringing based on visual cues alone, and decisioning can require expertise in both technology and patent law. That is why the APEX process brings in a neutral third-party expert evaluator to determine if a product is infringing. These lawyers are not associated with Amazon, and Amazon is not involved in the determination.

- APEX cases are being decided in an average of seven weeks, much faster than the two years it takes to get to trial in the average U.S. patent lawsuit.

APEX is free for the winning party. Each participant deposits \$4,000 with the evaluator. At the end of the process, the evaluator returns the winner's \$4,000 deposit. The other party's \$4,000 deposit is paid to the evaluator for their work. A patent infringement lawsuit can typically cost hundreds of thousands to millions of dollars and last several years, making APEX an affordable and speedy option to dispute patent claims.



We always knew that going to court was an available option to enforce our intellectual property, but patent suits can consume a small business, distract from innovation, and generate massive legal bills. Things are different with the Amazon Patent Evaluation Express. It is a simple and affordable process with a clear end point that has been effective in enforcing our patent. APEX is a game changer for small businesses.”

– Adam Fazackerley,
COO and co-founder of Lay-n-Go

LAY/N/GO.

Section 3: Holding Bad Actors Accountable

Amazon's Counterfeit Crimes Unit

In order to increase our litigation efforts and collaboration with law enforcement around the world, we established the Amazon Counterfeit Crimes Unit (CCU) in 2020. Amazon's CCU team is made up of former federal prosecutors, FBI agents, experienced 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, along with joint enforcement actions and seizures with law enforcement worldwide, including against suppliers, logistics providers, social media influencers, and fake invoice providers. In 2021:

- Amazon filed civil litigation against more than 170 counterfeiters in U.S. courts.
- Amazon sued or referred over 600 criminals for investigation in the U.S., U.K., EU, and China, an increase of more than 300% over 2020.
- We partnered with brands including Yeti, GoPro, Hanesbrands, Valentino, Weber, Salvatore Ferragamo, Whirlpool, and Procter & Gamble to pursue counterfeiters globally.
- In October 2021, information from Amazon's CCU led to a joint operation with U.S. Homeland Security Investigations (HSI) and the Los Angeles County Sheriff's Department (LASD) which resulted in the seizure of counterfeit automotive goods worth more than \$1.2 million. These parts posed a potential risk to consumers as they impeded automotive safety sensors. The blocked shipment protected not only Amazon's customers, but also customers who shop at other retailers where the counterfeiters intended to sell their products.
- China's Market Supervision and Administration (MSA) authorities located in Yiwu City, Zhejiang Province, raided a warehouse and seized counterfeit belts and buckle accessories with intelligence from Amazon and Salvatore Ferragamo. As a result of this seizure, the counterfeits were prevented from being sold through retail channels around the world.

"We are proud of the work we have done with Amazon to fight counterfeiting online, and to have been pioneers in doing that offline too. We are now pleased to witness other companies following our example, demonstrating a reinforced trend in offline activities that best serve as strong deterrent for bad actors."



"In two years, CCU has established its reputation as a global partner to brands and law enforcement through our aggressive enforcement against counterfeiters. Our mission is to disrupt and dismantle these networks by pursuing their illicit proceeds, seeking criminal prosecution, and securing civil judgements and injunctions to ensure that consumers only purchase authentic and safe goods and bad actors are held to account."



**Kebharu Smith,
Director and
Associate General
Counsel, CCU,
Amazon**

Blueprint for Private and Public Sector Partnership to Stop Counterfeiters

Selling – or the attempt to sell – counterfeits is a crime and we want to stop it at the source, which requires broad coordination with our many partners in this space. The public and private sectors, as well as the retail industry and government bodies, must work together to stop counterfeiters and protect consumers, rights owners, and store operators from these criminals.

That's why in October 2021, Amazon launched the blueprint for public and private sector partnership to stop counterfeits. Amazon's recommendations can be found in our blueprint's [white paper](#), where we share three primary opportunities for increased collaboration:

- Exchanging information about counterfeit activity to help stop counterfeits at the border.
- Sharing information about blocked counterfeiters to help the industry stop more counterfeiters earlier.
- Increasing resources for law enforcement to prosecute counterfeiters.

The blueprint prompted a dialogue among Amazon and policymakers about industry and government cooperation, particularly around information sharing on counterfeiting criminal networks, as well as the attempted importation of counterfeit products.

As part of an information sharing pilot with other marketplace service providers, we identified matching accounts of confirmed counterfeiters that had also tried to sell in our store. The private sector needs to lead the way in creating a scalable solution for real-time information sharing on confirmed counterfeiters, and we encourage more companies to work with us in building these partnerships in the future.

“The Criminal Analysis Service promotes integrated inter-force anti-counterfeiting and product piracy projects, with the involvement of the Prefectures and the essential contribution of local and national police forces. We face the new challenges posed by the evolution of online markets through supporting a multidisciplinary collaboration with public and private actors. In this context, stands out the collaboration with Amazon, which has proved to be an important partner to deepen the knowledge of the phenomenon in order to develop new contrast strategies.”

**Italian Ministry of
Internal Affairs -
Department of Public
Security - Central
Directorate of the
Criminal Police**

Removing Counterfeits from Across the Supply Chain

The fight against counterfeit is a global issue, across all retail channels. Amazon wants to ensure that when we find a counterfeit, it is appropriately disposed of so that it cannot be resold anywhere in the supply chain. This ensures customers purchase genuine products, whether shopping on Amazon stores or elsewhere, and it also serves as an important deterrent in preventing counterfeiters from being able to profit off those products elsewhere.

In 2021, we identified, seized, and appropriately disposed of more than 3 million counterfeit products, preventing them from harming customers or being resold elsewhere in the retail supply chain. This includes counterfeits that were attempted to be sent into our fulfillment network and situations where we worked with brands and law enforcement to find counterfeiters' warehouses and facilities, and get them shut down.

Sharing Best Practices and Continuing to Improve Together

Amazon works with leading industry associations and nonprofit organizations to continue to improve our programs, share our best practices to help others be more successful, identify trends, pilot new capabilities, and ultimately better protect customers and brands. We highlight a few of those partnerships below.

“Amazon continues to build an impressive IP protection regime with the work of the Brand Protection team and the Counterfeit Crimes Unit (CCU). They come to the table with an openness to accept feedback and create meaningful positive change for rights owners. We have seen through our close collaboration with them that they are constantly improving their enforcement tools and investing in their programs that proactively protect brands.”



"Confindustria Moda has built up a solid partnership with Amazon over the years, which is still developing. Amazon has shown a strong will to help our associated companies in defending their intellectual property rights and their brands. We appreciate that Amazon is continuing to implement its brand protection system and it is still supporting companies in the fashion industry in fighting online counterfeiting."



“The relationship between INDICAM and Amazon started 4 years ago. Initially, we needed to build trust, but we share a common goal that has led tangible improvements and better outcomes. This is a joint effort that can always be improved, but it is a positive effort that moves in the right direction.”



“ACG is constantly working with Amazon to prevent counterfeit goods from entering the U.K. and international markets, which increasingly threaten consumers, our prized businesses and the economy. Working together, ACG and Amazon is developing an even tighter and more effective working relationship. This developing partnership is building more in-depth knowledge and awareness about how counterfeiters work and is providing an effective response to criminals involved in exploiting online systems.”



Section 4: Educating and Supporting Customers

Customer Guarantee

Despite our robust brand protections, we are not perfect and rare occurrences remain when a customer purchased a counterfeit in our store. For decades, our A-to-z guarantee ensures customers can get a full refund for any item they purchase, regardless of whether they bought the product from Amazon or a third-party seller. If we identify that a customer purchased a counterfeit from Amazon or from a third-party seller, Amazon proactively contacts the customer, informs them that they purchased a counterfeit product, and fully refunds their purchase – without the need for the customer to take any action.

“I’m proud of all of the work we do to prevent infringement, but I’m most proud of our program to proactively notify and refund customers when they have received a counterfeit product. We built this program because it is the right thing to do to protect customers, and I hope that other online stores follow Amazon’s lead in this way.”



Annasara Purcell,
Senior Corporate Counsel,
Amazon



Customer Awareness

Before the 2021 holiday shopping season, Amazon partnered with the U.S. Chamber of Commerce Global Innovation Policy Center (GIPC) and U.S. Customs and Border Protection (CBP) to educate consumers on how to shop confidently and avoid counterfeit products. The campaign identified the Top 10 tips to shop smart, to protect consumers from the danger of counterfeit goods.

As part of [the campaign](#), Amazon, CBP, and the GIPC were interviewed by television stations in over 200 media locales, reaching consumers in cities and towns across the U.S. In addition, the USPTO featured Amazon executives who spoke about our brand protection tools and programs during two webinars conducted as part of the U.S. government's STOPfakes initiative.

“Still, it is increasingly clear that to fully protect consumers, businesses cannot do it alone. They need partners in progress, specifically through public-private partnership. Together, the government and industry can pursue better enforcement against counterfeiters.”

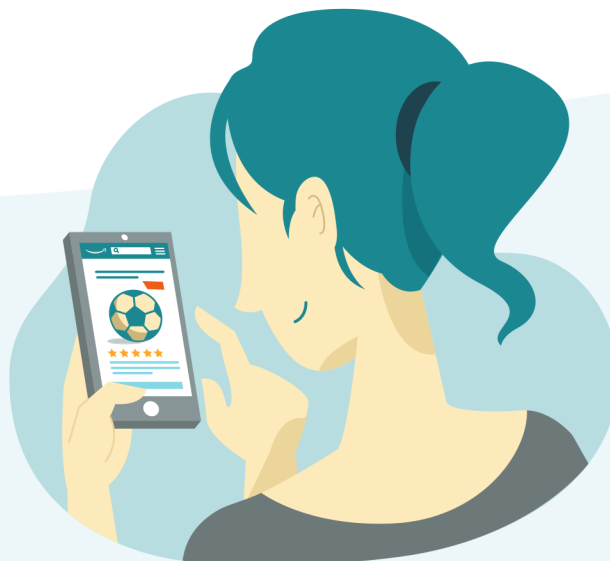
**Kasie Brill,
VP of Brand Protection, GIPC**

We also recognize that informing younger consumers on the topic of counterfeit is increasingly important. In 2021, Amazon partnered closely with the International Trademark Association's (INTA) Unreal Campaign and the Girl Scouts of Greater Los Angeles to create a consumer awareness program called Unreal Patch Program, reaching thousands of Girl Scouts ranging 13-18 years of age.

Through this collaboration, the young participants were challenged to build a brand, to safeguard their invention through trademarks, and then explain what it would mean to them should an individual try and steal their idea. Upon completion, the Girl Scout would receive a limited-edition patch. The Unreal Patch Program promoted the value of authenticity, entrepreneurship, and the importance of trademarks and brands.

“Wow! What a terrific collaboration between INTA and the Girls Scout of Greater Los Angeles (GSGLA), with Amazon's support!”

**Etienne Sanz de Acedo,
INTA CEO**



amazon

The Amazon logo consists of the word "amazon" in a white, lowercase, sans-serif font. Below the word is a curved orange arrow that starts under the letter 'a' and ends under the letter 'n', pointing to the right.