

The Honorable Senator Chris Coons 218 Russell Senate Office Building Washington, D.C. 20510

The Honorable Senator Thom Tillis 113 Dirksen Senate Office Building Washington, D.C. 20510

January 17, 2023

Dear Chairman Coons and Ranking Member Tillis,

The Partnership for Safe Medicines (PSM) is proud to endorse the SHOP SAFE Act (S.2934) because of the significant danger from counterfeit medicines sold today through online marketplaces.

PSM is a public health group committed to the safety of prescription drugs and protecting consumers against counterfeit, substandard or otherwise unsafe medicines. Comprised of more than 45 non-profit organizations, PSM studies counterfeit drug crime, threats to American patients, and educates the public, policymakers, and health care professionals about threats to the safety of the U.S. drug supply.

The most counterfeited medicines often are protected by trademark law. Therefore, marketplaces that sell them would be required to comply with the elements of the SHOP SAFE Act as their brand protection teams chase down the counterfeiters who sell them to the public and the legitimate supply chain. A recent example is the discovery by Gilead Sciences Inc. of a <u>broad</u>, <u>national criminal ring that sold counterfeit versions of their</u> trademarked HIV medicines. To date, over US\$240mm of counterfeit medicines have been found and some of the counterfeit medicines reached patients who had medical adverse events.

Many of these criminals are defendants in Lanham Act litigation cases brought by Gilead against nearly 200 members of this conspiracy, and criminal charges have followed them. One of the accused <u>ringleaders faces</u> <u>indictment</u>, and <u>another recently pleaded guilty</u>.

Business to consumer (B2C) marketplaces, like Amazon Marketplace and etsy.com, host listings for third party vendors that sell counterfeit versions of trademarked medical products. In 2010 counterfeit versions of the weight loss product Alli <u>appeared in many places online including online marketplaces</u> such as eBay. In 2023, we have seen an <u>explosion of counterfeit Ozempic for sale online</u>. The FDA is also investigating <u>reports of hospitalizations after patients were exposed to suspected counterfeit semaglutide</u>.

Much of the enforcement of counterfeit medicines is done today through pharmaceutical manufacturer brand protection teams. These teams do not have the power of law enforcement, and sometimes cannot even see the listings of B2C online marketplaces. The SHOP SAFE Act would provide them with the access and authority



necessary to monitor for counterfeit listings and give them additional rights to enforce their trademarks protecting medicines and eliminate counterfeiters.

PSM believes that the provisions in S.2934 will go a long way to protecting the health of the American public from counterfeit medical products, and we support its passage.

Sincerely,

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Shabbir Imber Safdar, Executive Director Partnership for Safe Medicines