

Press Release

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**SCHAKOWSKY WARNS COUNTERFEITING THREATENS JOBS, SAFETY, AND HEALTH**

WASHINGTON, DC -- U.S. Representative Jan Schakowsky (D-IL), ranking member on the House Subcommittee on Commerce, Trade, and Consumer Protection, warned of the threat counterfeiting poses to Americans' safety, health, and economic well-being in hearing held in the subcommittee today.

The text of Representative Schakowsky's full statement is below, as delivered:

**"Counterfeiting poses a threat not only to our present and future economic well-being, but also to the health and safety of all Americans. Many Americans think of counterfeits as limited to poor copies of luxury products that are sold on city street corners. However, we know that the problem is much bigger than a fake Kate Spade bag and has serious consequences that we must explore."**

**"I am pleased that we will be discussing counterfeit auto parts and prescription drugs. Our witnesses' testimony - which I look forward to hearing - should add urgency to the task of dealing with foreign pirates that steal intellectual property and undermine the health of our economy. While stealing our movies is wrong, selling defective medicines, auto brake parts or helicopter rotor components to Americans - or people anywhere in the world - is a heinous crime."**

**"Yet, such crimes occur everyday. The question we must ask is what is this Administration doing about it? Where is the commitment to defend this country from those that would profit from counterfeit goods regardless of the human consequences?"**

**"The Food and Drug Administration is charged, along with Customs, to protect us from counterfeit drugs. I support reimportation and I believe that we can do it safely. While the Administration continues to block comprehensive reimportation legislation ostensibly to guarantee safety, it is not doing its job with drugs that are coming into the country already. The Oversight Subcommittee has discovered that the real policy of this Administration is to allow virtually any knock-off pharmaceutical into the United States unimpeded. The FDA has tested counterfeits, found them to be sub-potent, but still allowed them to proceed into the commerce of the United States."**

**"When confronted with hard facts regarding this problem by our Committee, the Administration chose to solve the problem by directing that no more packages containing prescription drugs shipped to individuals be opened at the International Mail Facility in Miami. I guess they figure that if they don't see it, then they can't be blamed."**

**"Even when we try to stop counterfeits, we are facing an uphill battle. Customs has been overwhelmed for years with too many containers and too few inspectors - and that was before 9/11. Now, with those scarce resources shifted to the detection of possible chemical, biological or nuclear weapons, we are increasingly vulnerable to the threats posed by fake auto and aircraft parts and other counterfeit products with the potential to do serious harm."**

**"The Internet has made shopping for substandard goods very easy. Fed Ex, UPS, VISA and MasterCard have made their entry into the commerce of the United States simple and virtually without consequence. What can we do about it? Maybe the transporters and financiers of these often-dangerous products should be required to take some responsibility for their involvement in illegal commerce."**

**"The entry and sale of counterfeit goods in the US is already a crime. Nonetheless, it may be that the laws do need to be tightened. We know that more resources must be devoted to this fight. However, the problem with counterfeit goods appears to be more likely a case of tragically misplaced priorities by the Executive Branch. That this Administration chooses not to devote the necessary enforcement resources is what has enabled the swelling wave of piracy."**

**"Last week, we had a hearing on trade with China. The Department of Commerce witness, sent up here with little or no preparation or ability to answer many of our**

**questions on most subjects, did tell us that despite paper promises, counterfeiting in China continues unabated. Why hasn't the Administration taken concrete action to stop this?"**

**"Mr. Chairman, I would like to see the officials from HHS, Homeland Security, and the Commerce Department that are responsible for the lax enforcement of existing laws and the appeasement trade policy come before us to tell us why they are failing to protect our workers, companies and the public as a whole from counterfeit products. I hope that we will be able to hear from them as we continue work on trade."**

**"Mr. Chairman, thank you for today's hearing. I believe this Committee should get to the root cause of the rip-offs that are rapidly displacing jobs and threatening the safety of all Americans. And, I believe that the Administration must be called to account."**