Intellectual Property – Driver of Innovation: Making Our Lives Healthier, Safer, and More Productive Questions for the Record Submitted May 2, 2017

OUESTIONS FROM SENATOR COONS FOR DR. ASHIFI GOGO

- 1. Based on the experiences of Sproxil operating abroad:
 - a. Can you provide more detail regarding why there is a need for Sproxil's services in the countries where you do business?
 - Sproxil focuses on populous emerging markets to address the gap in technologies designed to protect consumers, and the infrastructure-related conditions present in such countries. We design our services with degrees of accessibility and resilience that may not be necessary in more industrialized markets. As a result, we have found multiple national governments to be very receptive to our mission, providing support and regulatory mandates in some instances to help increase the number of consumers empowered and protected.
 - b. If these countries had better developed intellectual property systems, do you believe the need would be as great?
 - An improved intellectual property system will contribute to the overall solution by increasing the risks faced when producing falsified products. Courts with more bandwidth and faster processing times, with appropriate penalties will also significantly encourage intellectual property holders to invest more in research for products that address local needs. However, history has shown that these measures will not eliminate counterfeiting nations with highly-effective intellectual property systems are not immune to counterfeiting. We have a new opportunity occasioned by the tremendous growth in mobile phone technology that empowers consumers to single out and avoid suspicious products, which removes the economic incentive that currently drives counterfeiting. Curbing unintentional demand is known to decimate supply, reducing the pool of falsified product manufacturers to those who seek outcomes other than profit.
 - c. What, if anything, do you believe the United States should do to further promote intellectual property protection abroad?
 - I encourage the United States government to continue providing technical support to their emerging market counterparts, with an effort to go beyond sharing the tools and practices that are effective in the United States. Sharing in confidence the fundamental principles that lead to the development of the tools and practices could aid the overseas agencies in developing new approaches that work in their local conditions. With ongoing cooperation and collaboration, such approaches may increase the United States government's repertoire of tools available to address the constantly changing intellectual property fraud landscape.
 - d. To what extent have you used the resources of the federal government, such as Intellectual Property Attachés stationed at some U.S. embassies around the world,

to learn about the intellectual property landscape abroad?

We have been able to leverage such resources in Latin America and West Africa to further expand our ability to provide services around the world. We are encouraged by the reception we have received so far and invite additional conversations on such opportunities.

2. Please describe the impact that winning a Patents for Humanity award from the U.S. Patent and Trademark Office has had on your company.

The Patents for Humanity award recognized existing investments we had made in developing and securing our intellectual property, and provided us with further encouragement to increase our research efforts. It also boosted the company's position as we raised multiple rounds of financing from debt and equity investors.

3. The United States confronts its own challenges with counterfeit goods due in part to the rise of e-commerce and the ability to ship counterfeit items purchased online in small packages that are difficult for law enforcement to monitor. What opportunities do you see for private sector companies like yours to work with law enforcement agencies to address such counterfeiting?

There are several opportunities available to engage consumers in the fight against counterfeit products, but they rely on efforts to embrace the conversation with consumers on the prevalence of counterfeit products online and on Main Street. Except for a few instances where consumers deliberately seek knockoff products and are willing to take on the associated risk, consumers have a higher degree of concern when considering the purchase of products with dubious provenance. Proactively messaging consumers as a public service empowers consumers with knowledge of what to do when they are faced with products that they deem suspicious. The government's involvement in such messaging also provides a brand-neutral, pan-industry platform to demystify the conversation on the availability of potentially harmful counterfeits – a task no brand wishes to take on alone mainly due to commercial concerns. Public education, with consumerfacing technology such as Sproxil's Defender system, can provide crowdsourced opt-in anonymized intelligence to enforcement agencies that will help them paint a more complete and dynamic picture of the methods counterfeiters employ, supplementing existing law enforcement efforts and making America safer.