



# U.S. Immigration and Customs Enforcement

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**STATEMENT**

**OF**

**JOHN MORTON  
DIRECTOR**

**U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT  
DEPARTMENT OF HOMELAND SECURITY**

**REGARDING A HEARING ON**

**“PROMOTING INVESTMENT AND PROTECTING COMMERCE  
ONLINE: LEGITIMATE SITES V. PARASITES, PART II”**

**BEFORE THE**

**U.S. HOUSE OF REPRESENTATIVES  
COMMITTEE ON THE JUDICIARY**

**SUBCOMMITTEE ON INTELLECTUAL PROPERTY,  
COMPETITION AND THE INTERNET**

**Wednesday, April 6, 2011- 10:45AM  
2141 Rayburn House Office Building**

## INTRODUCTION

Chairman Goodlatte, Ranking Member Watt, and distinguished Members of the Subcommittee:

Thank you for the opportunity to highlight the important role U.S. Immigration and Customs Enforcement (ICE) plays in combating intellectual property (IP) theft in today's global economy.

Simply put, American business is threatened by those who pirate copyrighted material and produce counterfeit trademarked goods. Criminals are attempting to steal American ideas and products and sell them over the Internet, in flea markets, in legitimate retail outlets and elsewhere. From counterfeit pharmaceuticals and electronics to pirated movies, music, and software, IP thieves undermine the U.S. economy and jeopardize public safety. American jobs are being lost, American innovation is being diluted and the public health and safety of Americans is at risk – and organized criminal enterprises are profiting from their increasing involvement in IP theft.

The Administration is responding to this organized criminal activity through a first-of-its-kind, coordinated, and strategic offensive that targets counterfeiters and those who pirate copyrighted material. This offensive involves multiple departments and agencies within government coming together in an ICE-led task force, the National Intellectual Property Rights Coordination Center (IPR Center). IP enforcement policy across many different federal agencies is being coordinated by the first presidentially appointed, Senate-confirmed Intellectual Property Enforcement Coordinator (IPEC), Victoria Espinel, with whom I have had the great privilege to work. ICE and the IPR Center contributed and consulted frequently with the IPEC on the creation of the first-

ever Joint Strategic Plan on Intellectual Property Enforcement released in June 2010. Additionally, we contributed to the IPEC's 2010 Annual Report to Congress, released in February 2011, and a variety of other reports to Congress and the Vice President.

## **BACKGROUND**

America's entrepreneurial spirit and integrity are embodied by the creativity and resourcefulness of our workforce. New inventions, innovations, works of art, and discoveries create new jobs and new industries and add to our country's heritage. Innovation drives commerce and enables the United States to compete in the global marketplace. Intellectual property rights and the ability to enforce those rights encourage American companies to continue the tradition of American innovation and develop products, ideas and merchandise.

Intellectual property rights are intended to discourage thieves from selling cheap imitations of products that are often far less safe or reliable than the original products. More importantly, intellectual property rights protect public safety by preventing the proliferation of counterfeit pharmaceuticals and other materials that are potentially harmful. They also protect our military members by preventing the spread of untested and ineffective knockoff components. Intellectual property rights violators unfairly devalue America's contributions, hinder our ability to grow our economy, compromise American jobs, and put consumers, families, and communities at risk. They also protect the actor, director, writer, musician, artist, and countless others who labor in and around America's entertainment industry from having a movie, manuscript, song or design illegally sold by someone who had no part in the artistry of creating it.

As the members of this Subcommittee well know, globalization provides boundless opportunities for commerce. But it also brings a growing set of challenges, especially in combating the theft of intellectual property. In a global economy, enforcement of intellectual property rights is crucial to ensuring that legitimate manufacturers and companies can expend capital developing overseas markets, exporting goods and creating jobs.

### **ICE'S ROLE**

ICE has a legacy of engagement in IP theft enforcement – stretching from our past years as U.S. Customs Service investigators to our present role as homeland security investigators. ICE is a leading agency in the investigation of criminal intellectual property violations involving the illegal production, smuggling, and distribution of counterfeit and pirated products, as well as associated money laundering violations. We target and investigate counterfeit goods entering the U.S. through our ports from various countries overseas and we seize counterfeit goods associated with these investigations, such as those that infringe on trademarks, trade names and copyrights. ICE has become increasingly innovative in how we combat counterfeiting and piracy. Our goal is not mere marginal increases in enforcement, but to disrupt the manufacturing, distribution, and financing segments of these criminal organizations.

ICE recognizes that no single U.S. law enforcement agency alone can succeed in the fight against IP theft. Rather, it is essential that all relevant federal agencies work together and with industry to confront this challenge. ICE initiated the IPR Center to leverage government resources to combat IP theft.

## **THE IPR CENTER**

The mission of the IPR Center is to address the theft of innovation and manufacturing that threatens U.S. economic stability and national security, restrict the competitiveness of U.S. industry in world markets, and place the public's health and safety at risk. The IPR Center promotes coordination and communication across the many U.S. government agencies with roles in enforcing IP laws. The IPR Center brings together key domestic and foreign investigative agencies to efficiently and effectively leverage resources, skills and authorities to provide a comprehensive response to IP theft.

The IPR Center, located in Arlington, Virginia, is an ICE-led task force of 17 relevant federal and international partners. The Department of Justice (DOJ) is a participant, prosecuting federally for all partners. The IPR Center includes embedded team members from, among others, U.S. Customs and Border Protection (CBP), the Food and Drug Administration Office of Criminal Investigations (FDA OCI), the Federal Bureau of Investigation (FBI), the U.S. Postal Inspection Service (USPIS), the Department of Commerce International Trade Administration, the U.S. Patent and Trademark Office, the Defense Criminal Investigative Service, the Naval Criminal Investigative Service, the Army Criminal Investigative Command Major Procurement Fraud Unit and the Inspector General's Office from the General Services Administration. Last year, the Government of Mexico and INTERPOL joined the IPR Center as our first international partners.

Since February 2011, the IPR Center has welcomed the following new partners: the U.S. Consumer Product Safety Commission; the Defense Logistics Agency; the U.S.

Department of State Office of International Intellectual Property Enforcement; and our third international partner, the Royal Canadian Mounted Police. Together, the partners at the IPR Center have created a one-stop shop for industry and victims of IP theft, reducing duplication and allowing us to leverage and benefit from our different areas of expertise. ICE and the IPR Center have repeatedly teamed with the World Customs Organization (WCO) and its member countries in several multilateral enforcement operations targeting counterfeit goods.

### **ICE'S INTERNATIONAL EFFORTS**

ICE's Homeland Security Investigations International Affairs (HSI-IA) represents the largest investigative law enforcement presence abroad for the Department of Homeland Security (DHS) with an international footprint of 69 offices in 47 countries, including representatives at seven combatant commands, staffed by more than 380 personnel. The mission of HSI-IA is to protect the United States by enhancing its security through international investigations involving transnational criminal organizations responsible for the illegal movement of people, goods, and technology, and through strong and integral intelligence and removal programs. There are 11 countries on the U.S. Trade Representative's Priority Watch List as part of its annual review of the global state of intellectual property rights protection and enforcement. ICE maintains a presence in nine of these countries, with a total of 14 offices. The FBI, an IPR Center partner agency, maintains a presence in the other two countries.

ICE Attachés work with international organizations and foreign law enforcement counterparts to build capacity, strengthen relationships, and conduct joint enforcement

activities. ICE is recognized as a worldwide subject matter expert on criminal customs matters, and holds positions as Vice Chair for the Enforcement Committee and Chair of the Commercial Fraud Working Group with the WCO.

### *ICE's work in China*

The primary source country for the manufacture and distribution of counterfeit merchandise is China. In FY 2010, ICE and CBP seized at U.S. ports of entry IPR violative goods from China with a domestic value (as opposed to manufacturer's suggested retail value) of more than \$124.6 million. These seizures accounted for approximately 66 percent of the total domestic value of counterfeit merchandise seized by DHS.

ICE has a presence in central and southern coastal China with offices in Beijing and Guangzhou, with our Assistant Attaché in Guangzhou designated as ICE's first "IP Attaché" and ICE's point of contact for all IP matters involving China. These two offices deal largely with commercial fraud and IP. Moreover, the ICE office in Guangzhou is working with the U.S. Consulate on a project to make Shenzhen a model IP enforcement city. ICE has made a commitment to work with the Consulate on this project and provide training to the Chinese Public Security Bureau on IP investigation and enforcement.

Last September, I traveled to China for meetings with my Chinese law enforcement counterparts, including the Ministry of Public Security (MPS), and signed an agreement to cooperate on joint investigations of IP theft. The IPR Center also regularly liaises with MPS representatives from the Chinese Embassy in Washington.

This new agreement builds on our previous work with China. In September 2003, ICE collaborated with Chinese authorities on Operation Spring, a joint IPR investigation that resulted in the extradition and conviction of DVD pirate Randolph Guthrie, who was sentenced to 48 months incarceration and ordered to repay \$878,793 in restitution to the Motion Picture Association of America. Another joint ICE-Chinese investigation resulted in four arrests in the United States and the seizure of more than \$100 million in counterfeit computer software and approximately \$4 million in counterfeit cigarettes.

***ICE's work in other countries***

More recently, ICE worked with our Korean partners in Seoul to combat IP violations occurring in that country. In September, I signed a Memorandum of Understanding between ICE and the Korean Supreme Prosecutor's Office to work collaboratively on IP investigations. Since FY 2008, seizures in Korea involving our Attaché in Seoul have increased dramatically: in FY 2010, 22 subjects were arrested, and merchandise valued at approximately \$18.7 million was seized. So far in FY 2011, 42 subjects have been arrested and ICE has assisted in seizures valued at approximately \$13 million.

In July 2009, ICE opened an office in Brussels to work directly with the WCO on multilateral operations addressing bulk cash smuggling and explosives precursor chemicals. ICE also works with INTERPOL, the Asia-Pacific Economic Cooperation Forum, and the Departments of State, Commerce, and Justice on a variety of initiatives, including providing training on IPR enforcement to our international law enforcement partners.



## **ICE'S CONTRIBUTIONS TO FOREIGN TRAINING AND CAPACITY BUILDING**

In May 2009, the IPR Center initiated the U.S. interagency “IPR in Africa” Working Group, with participation by the Departments of State, Justice, and Commerce, to improve coordination of the U.S. government’s IP training and resource commitments in Africa. In coordination with these U.S. entities, the WCO and INTERPOL, the IPR Center serves as a subject matter expert in IPR training specifically focused on strengthening enforcement and investigations.

ICE provides training on IP theft enforcement and interacts with foreign officials worldwide through our participation in the Department of State International Law Enforcement Academy (ILEA) program. The mission of the ILEAs — located in Budapest, Gaborone, San Salvador, Bangkok, and Lima — is to help protect U.S. interests through international cooperation and the promotion of stability by combating crime.

ICE is an active member of the U.S. delegation negotiating the Anti-Counterfeiting Trade Agreement (ACTA). The goal of ACTA is to work with other countries interested in promoting strong enforcement of IPR. ACTA aims to strengthen legal frameworks to bridge existing gaps between laws and dedicated enforcement, and to foster ongoing cooperation among ACTA participants.

### **STATE, LOCAL, AND TRIBAL TRAINING AND OUTREACH**

ICE and the IPR Center assert that an effective enforcement strategy must include the participation of our state, local, and tribal law enforcement partners. On April 26,

2010, designated as World IP Day, I announced the creation of local IP Theft Enforcement Teams (IPTETs). The IPTETs are partnerships with state, local and tribal law enforcement built on the best practices identified by the IPR Center. They use an informal task force approach to enhance coordination of intellectual property investigations at the state, local and tribal level. There are currently 26 IPTETs across the country, which include federal, state, local and tribal law enforcement partners, including sworn personnel from police and sheriff departments and local prosecutors. The IPR Center has been conducting training for the IPTETs around the country and since their creation.

## **RECENT ENFORCEMENT SUCCESSES**

### ***Operation In Our Sites***

Last year, the IPR Center launched Operation In Our Sites, a new initiative targeting websites being used to sell counterfeit goods and distribute pirated merchandise and copyrighted digital materials. During the first enforcement action as part of this initiative, ICE agents, working with the U.S. Attorney's Office for the Southern District of New York, obtained judicially authorized seizure warrants for seized seven illegal domain names providing more than 500 movies and television programs. After ICE shut down the websites, 20 million visitors attempted to access the sites.

On November 29, 2010, I joined the Attorney General to announce the results of Operation In Our Sites v. 2.0. Timed to coincide with "Cyber Monday," reportedly the largest online shopping day of the year, the operation targeted online retailers of

counterfeit goods, including sports equipment, shoes, handbags, athletic apparel and sunglasses, as well as illegal copies of copyrighted DVD boxed sets, music and software. ICE and DOJ obtained federal court orders to seize the domain names of 77 internet sites selling counterfeit goods, five websites selling pirated movies, music and software, and one server. The operation was spearheaded by the IPR Center, in coordination with DOJ Computer Crime and Intellectual Property Section, nine ICE field offices, and ten U.S. Attorneys' Offices.

In 2011, ICE added to the In Our Sites initiative on February 4 with In Our Sites v. 3.0, and on February 14 with In Our Sites v. 4.0. In Our Sites v. 3.0 coincided with the Super Bowl, and resulted in the seizure of 10 domain names of websites that provided access to pirated telecasts of the National Football League, the National Basketball Association, the National Hockey League, World Wrestling Entertainment, and the Ultimate Fighting Championship. Last month, ICE and DOJ announced the arrest of the operator of one of these websites on charges of federal copyright violation. These are lucrative criminal endeavors, and ICE and DOJ froze one bank account with over \$500,000 in cash that resulted from the illegal operation of the website. Operation In Our Sites v. 4.0 coincided with Valentine's Day and resulted in the seizure of 18 domain names of commercial websites engaged in the illegal sale and distribution of counterfeit goods.

The domains seized pursuant to court order now display a banner announcing the seizure of the site by the government and an explanation of the federal crime and punishment for copyright theft and distribution or trademark violations. Since the initial seizures in June 2010, there have been over 38 million hits to the seizure banner that

notifies viewers a federal court order has been issued for the domain name and educates them that willful copyright infringement is a federal crime. The resulting public education about pirating is a significant benefit of this enforcement operation in deterring future crimes and in raising awareness.

The Operation In Our Sites initiative will continue through 2011 and beyond. ICE's efforts through this operation successfully disrupt the ability of criminals to purvey copyrighted materials illegally over the internet. In addition to the domain names that are seized through this operation, evidence suggests that the operation has a deterrent effect. In fact, following Operation In Our Sites v. 1.0, ICE was notified that 81 of the most active websites that had been offering pirated material voluntarily shut down.

#### ***Due process in Operation In Our Sites***

Operation In Our Sites was developed with the Department of Justice to respect free speech, to provide due process, and to work within the statutory framework provided to us by Congress. Domain names seized under Operation in Our Sites are seized only in furtherance of ongoing criminal investigations into violations of U.S. federal laws. As with all criminal investigations, the initial leads are obtained through a variety of sources including, but not limited to, leads from the general public, tips from industry representatives and information uncovered by special agents. For each domain name seized, ICE investigators independently obtained counterfeit trademarked goods or pirated copyrighted material that was in turn verified by the rights holders as counterfeit. After such verification, ICE applied for federal seizure warrants based on probable cause.

Federal magistrate judges approve criminal seizure warrants based on probable cause for the domain names that are targeted. The standard is exactly the same as in any other criminal investigation. As with all judicially authorized seizure warrants, the owners of the seized property have the opportunity to challenge the judge's determination through a petition. If a petition is filed, a hearing is held in a federal court to determine the validity of the affidavit supporting the seizure, at which point the government would have the burden of proof. Of course, all rights of appeal, ultimately even to the Supreme Court of the United States, would adhere to the website owner, should the judge determine the issue in favor of the government.

Under existing federal law, the website owner may also choose to demand return of the property through the law enforcement agency itself, by writing a letter to ICE. If ICE does not return the website within 15 days, the owner can petition the U.S. District Court in which the seizure warrant was issued or executed.

Further, if the website owner determines he or she does not wish to pursue either of these avenues of due process, a challenge may be filed directly with the law enforcement agency conducting a forfeiture action under administrative processes.

So, there are four avenues of due process along the path, including the initial determination by a neutral and detached magistrate that the website was engaged in violations of federal criminal copyright or trademark law.

### ***Other notable investigative successes against IP theft***

ICE's IP theft enforcement efforts have continued to increase under this Administration. In FY 2010, ICE initiated 1,033 intellectual property infringement

cases—a 42 percent increase over FY 2009—and achieved 365 arrests, 216 indictments and 170 convictions. In FY 2010, criminal charges flowing from ICE-initiated intellectual property investigations increased by 86 percent over the previous year. These figures include both federal and state prosecutions. The below cases illustrate some of our notable IP enforcement successes.

In the past year, ICE agents continued to seize millions of dollars in counterfeit items as a result of significant criminal investigations including an investigation into a criminal organization smuggling counterfeit shoes and luxury goods through the Port of Baltimore, with an estimated manufacturer's suggested retail price of more than \$219 million had the products been legitimate goods. This investigation resulted in nine federal arrests. ICE was able to develop evidence on a parallel operation in the United Kingdom, and our ICE Attaché in London passed the information on to relevant UK law enforcement. This resulted in six arrests, seizures of 50,000 counterfeit luxury items and approximately \$617,000 in U.S. equivalent currency, making it one of the largest IP theft enforcement cases in UK history.

We have broadened our reach by partnering with foreign counterparts, such as the Mexican Tax Administration Service, which seized 306 tons of counterfeit merchandise at mail facilities and land, air and sea ports of entry during just one joint operation.

Earlier this year, the IPR Center partnered with the NFL, NBA, NHL, the National Collegiate Athletic Association (NCAA), industry and local law enforcement to conduct operations targeting counterfeit sports merchandise sold during the Super Bowl, the NBA All-Star Game, the Stanley Cup championship, and the NCAA Final Four and

Frozen Four tournaments. These operations resulted in seizures of more than 14,000 counterfeit items valued at more than \$760,000.

In June 2010, ICE and CBP completed the U.S. portion of Operation Global Hoax, a three-month multilateral enforcement action proposed by the IPR Center and coordinated with the WCO. Global Hoax is the first-ever worldwide enforcement action targeting counterfeit DVDs and CDs as they are shipped around the world. The five-day surge operation at mail and express courier facilities resulted in the seizure of more than 140,000 pirated DVDs, 28,000 CDs, and more than 270,000 other counterfeit items worldwide. Domestically, ICE HSI and CBP seized 22,371 pirated DVDs, 2,658 pirated DVD box sets, 133 pirated CDs and 8,556 other counterfeit items worth a total MSRP of approximately \$5.3 million.

In October 2010, the IPR Center coordinated U.S. efforts in Operation Pangea III, a global operation targeting illegal pharmaceutical sales over the Internet that involved the participation of ICE, CBP, FDA OCI, USPIS, DEA, 45 countries, the WCO, INTERPOL, international organizations, and industry. The U.S. operation was conducted at mail facilities in several U.S. cities. Internet monitoring revealed more than 820 websites engaged in illegal activity, including those offering controlled or prescription-only drugs. Nearly 300 of these websites have been taken down and investigations continue. Participants inspected over 278,000 packages, seizing nearly 11,000 packages which contained more than 2.3 million illicit and counterfeit pills worth more than \$56.7 million. Globally, 130 search warrants were executed and 87 individuals were arrested or are under investigation for a range of offenses.

ICE remains steadfast in ensuring that IP theft is not used to support those who would harm the United States or our interests abroad. Last November, ICE and the FBI worked with the New Jersey State Police and the Philadelphia FBI Joint Terrorism Task Force on a case that identified a three-cell criminal organization; a U.S.-based stolen property and counterfeit goods group; an overseas procurement group; and an international group tied to Hezbollah procuring weapons, counterfeit money, stolen property, and counterfeit goods. Ultimately, the investigation resulted in 25 indictments, 15 criminal arrests, 15 administrative arrests, and 10 red notices in INTERPOL.

However, we recognize that we are not going to be able to prosecute our way of this problem. There are simply too many criminals operating online today. This Administration believes strongly that we need to have the private sector and the companies that make the internet function take action if we are going to address this problem effectively. We are working with the White House Intellectual Property Enforcement Coordinator and other agencies to support the efforts to establish voluntary agreements with payment processors, ad networks, and other intermediaries to do the right thing. Combined with our law enforcement efforts, having the private sector step up to take voluntary action against infringers can have a tremendous effect.

### **ICE'S PARTNERSHIP WITH THE PRIVATE SECTOR**

The IPR Center recognizes that law enforcement cannot fight IP theft alone and we look to partner with private industry in our efforts. In a market economy, no one has a greater incentive for protecting intellectual property rights than private industry.



Companies want to protect their investments in research, development, manufacturing, sales, marketing and product distribution.

To help enhance and facilitate productive partnerships within both the public and private sectors, the IPR Center provides industry with valuable information about ICE's efforts to combat the importation of hazardous and counterfeit products, and it provides points of contact in ICE field offices that industry can use to provide ICE with leads and tips. Since July 2008, the IPR Center and ICE agents have conducted approximately 638 outreach efforts, to include formal presentations and meetings, speaking with more than 34,000 industry representatives.

### **BUILDING PUBLIC AWARENESS ABOUT IP THEFT**

ICE believes the only way for us to be truly successful in our efforts against IP theft is to change public perception of IP crimes. Too many individuals believe buying knock-off goods or downloading films or songs from piratical sites is a victimless crime. The public must recognize that counterfeiting, piracy, and diversion is theft: theft of innovation, jobs, and revenue that sustains jobs, advances American business, funds health insurance, and supports industrial growth and economic stability.

The IPR Center is leading an effort to educate the public and other audiences about IP theft and international organized crime connections. In June 2010, the IPR Center hosted a Symposium titled "IP Theft and International Organized Crime and Terrorism: The Emerging Threat." Panels of academics, industry leaders and domestic and international government officials discussed links between international organized crime, terrorism and IP theft. Attendees included congressional staff, domestic law

enforcement, media and others. A similar symposium is being planned for later this year.

### **CHALLENGES AHEAD**

I am regularly asked what challenges lie ahead in IP theft enforcement. First, I note that there are more criminals engaged in IP theft than ever before, and counterfeiting materials and items that clearly can affect public health and safety. As international criminal organizations have yielded huge profits through trafficking in counterfeit goods, they have opened their existing criminal infrastructures and smuggling routes to the flow of counterfeit merchandise. Because criminal penalties for commercial fraud violations as imposed are less severe than traditional drug or weapons trafficking offenses, many IP thieves and organized criminal organizations view IP theft as a relatively “low risk” endeavor. As I noted, ICE is working closely with international law enforcement partners to facilitate global investigations and crack down on transnational criminal organizations.

Moreover, over the last 10 years, the Internet’s growth as a global commerce medium has caused it to develop into a key means for facilitating IP theft. The 2010 Cisco Visual Networking Index forecasts that global IP traffic will quadruple by 2014. Moreover, Cisco notes that download speeds of DVD quality movies have been reduced from three days 10 years ago, to just around two hours this year; an MP3 audio download time has been reduced from three minutes to approximately five seconds. This increase in access to the Internet, while of great benefit for global communication and commerce, presents a challenge with regard to IP enforcement.

In addition, while ocean-crossing shipping containers are necessary to move bulk quantities of counterfeit items such as handbags, shoes, batteries or holiday lights, other high value items including counterfeit pharmaceuticals, mobile phones, computer network components, microchips, MP3/4 Players, pirated DVDs/CDs and others are being smuggled in smaller and smaller quantities through mail and/or express courier parcels. ICE and CBP, using our customs authorities, will need to increase surge operations at foreign mail and courier facilities to generate seizures, controlled deliveries, intelligence and investigative leads.

IP theft cases have grown in both magnitude and complexity. A crime previously viewed as limited to luxury goods (such as high-priced handbags, apparel, and watches) has quickly grown to include all types of products and consumer goods at every price point, presenting more challenging and involved investigations.

Another challenge we face is that criminals are willing to counterfeit and market any product if it will sell, regardless of whether such sale could result in serious and significant injury to consumers or the public. ICE has investigated cases involving counterfeit toothpaste that contained a component found in antifreeze. Likewise, in 2007, ICE and the FDA arrested Kevin Xu, one of the world's most prolific counterfeiters of pharmaceuticals. Xu has been linked to distribution of counterfeit medications such as Plavix, Zyprexa, and Casodex that are used to treat blood clots, schizophrenia, and prostate cancer, respectively.

ICE and the FBI, along with DOJ, investigated the potential sale of counterfeit Cisco Gigabit Interface Converters to the U.S. Department of Defense for use by U.S. Marine Corps personnel operating in Iraq. Failure of these counterfeit devices on the

battlefield would have endangered the lives of American service members. The defendant's profit would have been only approximately \$120,000, showing the callousness with which many counterfeiters treat human life. I am pleased to report one defendant in this case investigated by ICE was recently sentenced to more than four years in prison.

These cases are troubling and demand attention from criminal investigators and regulatory agencies. At ICE, we are prioritizing our investigative resources to focus on IP theft enforcement that protects health and safety including the safety of our soldiers serving abroad and protects the American economy.

### **CONCLUSION**

Thank you for the opportunity to appear before you today to discuss the work of ICE in protecting U.S. intellectual property rights. I would be pleased to answer any questions that you may have at this time.