Amazon unveils new 'IP Accelerator' to battle fraud on its platform, help sellers trademark products

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Amazon's quest to stamp out fraud on its online retail platform is getting a jolt as the tech giant today announced a new accelerator program designed to help sellers protect their creations.

The new Intellectual Property Accelerator takes a unique approach to battling fraud by connecting small- and medium sized businesses with a group of law firms that specialize in trademarks and IP. Sellers who participate in the program — whether their products are available on Amazon's retail stores or not — get discounted rates from

the law firms. Once they file for trademarks they receive access to Amazon's suite of fraud prevention tools.

Dharmesh Mehta, Amazon's vice president of customer trust and partner support, said in an interview with GeekWire that 99.9 percent of what customers see on the site is legitimate.

amazon IPAccelerator

However, the company has a lofty goal of eradicating all fraud from its marketplace.

"On one end, I can look at that and say the vast majority of what customers are encountering are genuine, authentic selections," Mehta said. "On the flip side, we're not going to be happy until it's 100 percent and there's zero counterfeit."

Mehta pointed to <u>Project Zero</u>, an initiative started earlier this year to accomplish that goal, as an example of Amazon's commitment to reducing fraud. The program includes automated tools that continuously scan the website and remove suspected counterfeits, ways for sellers to identify and remove fraudulent items themselves and unique serial numbers for every product that help confirm authenticity.

For every item sellers flag and remove from Amazon, the company itself takes down or blocks more than 400, Mehta said.

The accelerator is fairly open-ended. It doesn't have restrictions on size of the seller, and businesses don't have to sell on Amazon to participate. The program will begin by helping companies from all around the world with U.S. trademarks.

"Protecting brands, preventing counterfeit or other infringing products from being in our stores is critical to having a trustworthy shopping experience," Mehta said.

Amazon has gotten aggressive in its battle against fraud in recent years, using its technology to create new tools and going to court to deal with scammers. In June, Amazon teamed up with Nite Ize, a Colorado-based maker of mobile accessories and LED products, to sue 11 individuals and business entities across three countries for selling counterfeit goods on the tech giant's online store.



Dharmesh Mehta, Amazon vice president of customer trust and partner support. (Amazon Photo)

Amazon has also cracked down on product reviews, banning most reviews done in exchange for free and discounted items and suing numerous groups it believes authored fake reviews.

However, Amazon has also struggled to police activity on its platform. In August, an investigation by The Wall Street Journal found more than 4,000 products on Amazon's third-party marketplace that had either been banned or declared unsafe by regulators. The company responded by publishing the steps it takes to make sure third-party products are safe.

