

United States Senate

August 14, 2024

The Honorable Gina Raimondo
Secretary
Department of Commerce
1401 Constitution Ave. NW
Washington, DC 20230

Dear Secretary Raimondo:

I am writing to express my deep concerns regarding the rapidly growing e-commerce platform Temu and its potential threats to American consumers and businesses. To protect our nation's economic interests and the well-being of our citizens, I believe it is imperative that we address this issue promptly. Temu, owned by the Chinese company PDD Holdings, has quickly gained popularity in the United States, offering a wide range of products at extremely low prices. However, this rapid expansion raises serious questions about the company's business practices and the origin of its products. My primary concerns are as follows:

1. **Product Safety and Quality:** There are growing apprehensions about the safety and quality of products sold on Temu.¹ These products are not subject to the rigorous safety tests and inspections that other competitor products made elsewhere around the world undergo. We must ensure that these items meet U.S. safety standards and do not pose risks to American consumers.
2. **Labor Practices:** There are reports of unsafe working conditions, labor abuses, and human rights violations associated with production of products for Temu. We need to ensure that the products sold on Temu are not manufactured using forced labor or other unethical practices that violate international labor standards.²
3. **Unfair Competition:** Temu's ability to offer products at significantly lower prices than domestic retailers may indicate unfair trade practices or the exploitation of loopholes in our import regulations. This could severely disadvantage American businesses, particularly small and medium-sized enterprises.

¹ <https://www.wptv.com/wptv-investigates/why-some-experts-warn-against-using-childrens-products-sold-on-temu>

² <https://apnews.com/article/temu-shein-forced-labor-china-de7b5398c76fda58404abc6ec5684972>

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4. Data Privacy: Given Temu's Chinese ownership, we must investigate potential risks to American consumers' data privacy and security.³ Concerns regarding exploitation of Temu application users lead U.S. based companies to announce warnings and "how-to" guides on removing the Temu application from its application purchasing platform and user devices. It is crucial to determine whether user data and privacy are being adequately protected and not misused or transferred to foreign entities.
5. Counterfeit Goods: There are concerns that Temu may be a conduit for counterfeit products⁴, which not only harms legitimate businesses but also poses risks to consumers. We must prosecute the counterfeiters, insure profits are not being wrongfully gained, and prevent e-commerce platforms from thriving while they allow these abuses and violate patents, trademarks, and copyright.

In light of these concerns, I urge the Department of Commerce to take the following actions:

1. Launch a comprehensive investigation into Temu's business practices, supply chain, and adherence to U.S. trade laws and regulations.
2. Collaborate with other relevant agencies, such as the Consumer Product Safety Commission and the Federal Trade Commission, to assess potential risks to American consumers.
3. Evaluate the need for new regulations or enforcement actions to address the challenges posed by rapidly growing foreign e-commerce platforms like Temu.
4. Provide a detailed report to Congress on the findings of this investigation and proposed actions to protect American interests.

The rapid rise of Temu represents a new challenge in our ongoing efforts to ensure fair trade and protect American consumers and businesses. I look forward to working with you on this critical issue and request a meeting to discuss this matter further.

Sincerely,



Rick Scott
United States Senator

³ <https://www.wpxi.com/news/local/lawsuits-claim-shopping-app-temu-gives-company-access-literally-everything-your-phone/DDDAYLQKE5ALBABZNG4CT3MPEU/>

⁴ <https://time.com/6342387/temu-copy-work/>