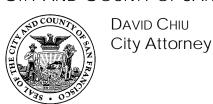
CITY AND COUNTY OF SAN FRANCISCO





(415) 554-4700 Email: cityattorney@sfcityatty.org

November 1, 2023

VIA FIRST CLASS MAIL, EMAIL, AND PERSONAL SERVICE ON REGISTERED AGENT

Colin Stretch Chief Legal Officer Etsy, Inc. 117 Adams Street Brooklyn, NY 11201 cstretch@etsy.com

> Re: Sales of Illegal License Plate Covers

Dear Mr. Stretch:

It has come to my attention that Etsy, Inc. ("Etsy") is selling license plate covers that obscure or are intended to obscure license plate numbers to California residents. The sale of such license plate covers is prohibited by California law—and for good reason. License plate covers that obscure the plate numbers impede the ability of law enforcement to investigate and apprehend individuals engaged in criminal activities, such as sideshows, thefts, and robberies. As such, by this letter, I demand that Etsy cease and desist from offering these illegal license plate covers for sale to residents of California.

California law criminalizes selling any "product or device that obscures, or is intended to obscure, the reading or recognition of a license plate by visual means, or by an electronic device." Veh. Code § 5201.1(a). Several products for sale on Etsy—illustrative examples of which are included in Attachment A—are clearly intended to, and do, obscure the reading and recognition of the license plates they cover. These products include electronic plate covers that hide a license plate at the press of a button, kits that allow users to wrap their official license plates with vinyl and change the numbering, and covers with a dark or smoked tint.

Etsy is aware that these license plate covers are illegal and being used to facilitate illegal conduct and evade law enforcement. Etsy has a stated policy prohibiting the sales of illegal products and devices—including specifically "license plate covers" that "are intended to evade the detection of illegal activity." Moreover, product descriptions and reviews on Etsy's website openly state that the products are illegal. For example, one electronic license plate cover is advertised as allowing the user to "be extra stealth[y]... with the police," while another claims that it can "Hide[] Your License Plate in seconds." Attachment A at pp. 2-3. Several tinted

¹ Prohibited Items Policy, Etsy.com, https://www.etsy.com/legal/prohibited/#Q5 (last visited Oct. 31, 2023).

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covers are described as being effective at evading red light, speed, and toll cameras. *Id.* at pp. 4-5. Nevertheless, these and numerous other illegal license plate covers continue to be available for sale on Etsy's website—despite Etsy's stated policy of removing content it has reason to believe is unlawful.²

The sale of these illegal license plate covers endangers the public welfare in San Francisco and throughout California by promoting illegal conduct and obstructing law enforcement investigations. The San Francisco Police Department routinely encounters license plate covers like the ones Etsy offers for sale on cars involved in illegal sideshows—demonstrations of illegal stunt driving that are frequently accompanied by gun violence and property damage, and which pose serious public safety hazards to the community. Illegal license plate covers have also been affixed to vehicles involved in thefts, robberies, and toll evasion in California. The use of such license plate covers prevents law enforcement from identifying and tracking drivers who participate in these illegal activities and contributes to criminal conduct in San Francisco and throughout California. The sale of each of the kinds of license plate covers identified in this letter and the accompanying Attachment A is illegal under the California Vehicle Code and actionable under California's Unfair Competition Law ("UCL"), Bus. & Prof. Code §§ 17200 et seq., which prohibits any unlawful, unfair, or fraudulent business act or practice. Under the UCL, my Office is authorized to seek statewide relief for unlawful business practices, including civil penalties of up to \$2,500 per violation.

In an effort to address this unlawful conduct without the need for litigation, please confirm that Etsy will stop selling any license plate covers that obscure or are intended to obscure the reading or recognition of a license plate to California addresses. This includes: (1) electronic license plate covers that flip over, retract, or deploy a drop-down screen to obscure the license plate, (2) kits that facilitate the wrapping of license plates in vinyl, and (3) smoked or tinted license plate covers. Please provide the requested confirmation within twenty-eight (28) days of the date of this letter to Deputy City Attorneys David Louk and Karun Tilak, 1390 Market Street, 7th Floor, San Francisco, CA 94102 (david.louk@sfcityatty.org; karun.tilak@sfcityatty.org). I anticipate that Etsy will stand by its pledge not to sell illegal license plate covers intended to evade the detection of illegal activity and will provide the requested confirmation. However, if it does not, we reserve the right to pursue all legal remedies, including enforcement actions, to ensure that Etsy does not continue to sell these illegal products to California residents.

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CITY AND COUNTY OF SAN FRANCISCO

OFFICE OF THE CITY ATTORNEY

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Should you have any questions, please contact Mr. Louk or Mr. Tilak at 415-554-4700. I appreciate your prompt attention to this matter.

Very truly yours,

David Chin

DAVID CHIU City Attorney

Encl.: Attachment A

CC: Etsy, Inc.

c/o CSC-Lawyers Incorporating Service 2710 Gateway Oaks Drive, Suite 150N

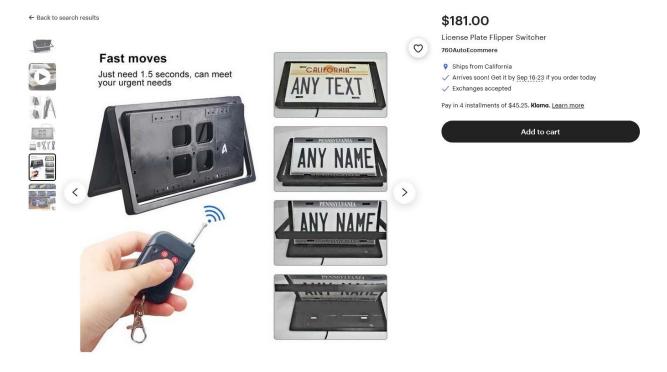
Sacramento, CA 95833

<u>Attachment A</u> <u>Examples of Illegal License Plate Covers Available on Etsy.com</u>

Below are examples of illegal license plate covers available on Etsy.com. This list is not intended to be exhaustive, and we are aware of additional similar products offered for sale on Etsy.

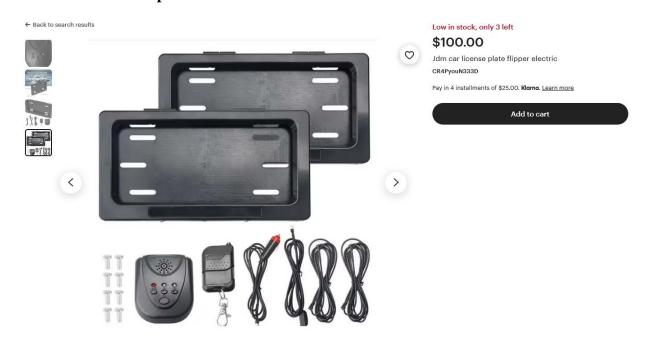
I. Electronic License Plate Covers

A. Example 1¹



¹ https://www.etsy.com/listing/1505322633/license-plate-flipper-switcher (last visited Oct. 31, 2023)

B. Example 2²



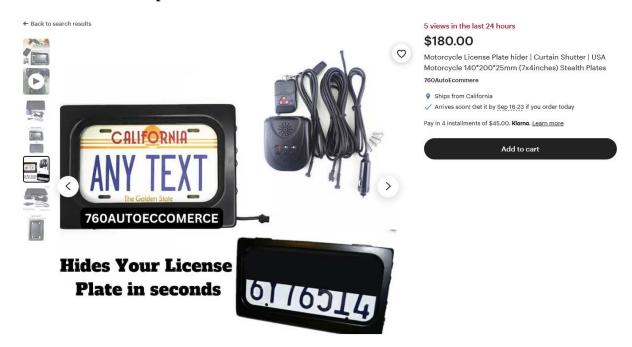
Item details

W Handmade

Plate flipper! Now u can be extra stealth and fuck with the police and confuse people on the road

https://www.etsy.com/listing/1531471295/jdm-car-license-plate-flipper-electric (last visited Oct. 31, 2023).

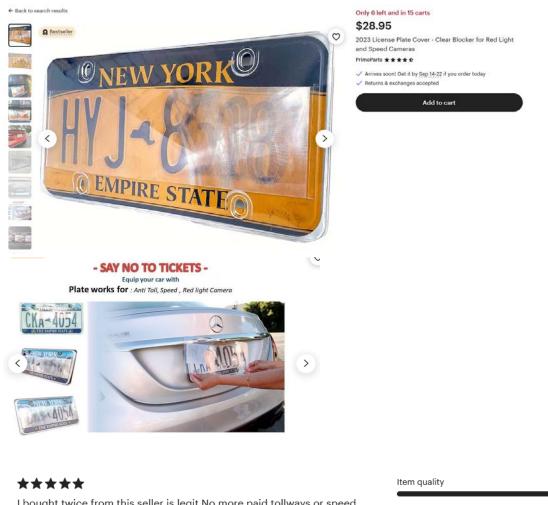
C. Example 3^3



³ https://www.etsy.com/listing/1545820742/motorcycle-license-plate-hider-curtain (last visited Oct. 31, 2023).

II. Tinted License Plate Covers

A. Example 1⁴



I bought twice from this seller is legit No more paid tollways or speed cameras Satisfied with my order. Received my package early and fast.



Response from Collin

That's wonderful you have found our camerastopper cover/lens system so useful to protect against those annoying speed cameras! We aim to provide an exceptional product and an equally exceptional customer experience. Best Wishes!

Purchased item: 2023 License Plate Cover - Clear Blocker for R...

5.0
Shipping
5.0
Customer service
5.0

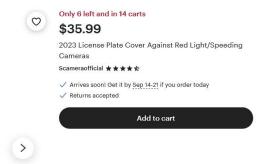
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 $^{^4}$ https://www.etsy.com/listing/1475556437/2023-license-plate-cover-clear-blocker (last visited Oct. 31, 2023).

B. Example 2⁵







Item details



Please note, this listing is for 1 cover. Should you need for 2 license plates, please order quantity 2.

Our product will protect you from red-light cameras and speeding cameras.

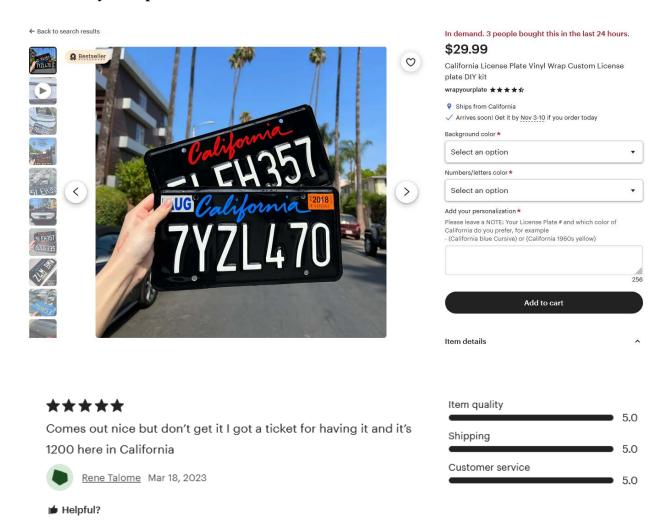
We have put a lot of time into testing our product to make sure it stands up for what it claims. So rest assured you will be receiving a product that works.

Some things to understand before buying; this is a plastic license plate cover with a lens inside, it will be seen a bit when it is attached to your license plate. If it were completely see through then it would not work, it has distorting properties so it is visible to a minimal extent. However, we have designed it and placed it in a way that when you look at it directly it is relatively hard to notice it. (If you have any issues or questions about this, reach out to us so we can avoid confusion)

However when your license plate is viewed from directly behind it is clear and legible.

⁵ https://www.etsy.com/listing/1436230028/2023-license-plate-cover-against-red (last visited Oct. 31, 2023).

III. Vinyl Wrap License Plate Covers⁶



⁶ https://www.etsy.com/listing/1317205851/california-license-plate-vinyl-wrap (last visited Oct. 31, 2023).