Etsy is a global creative commerce platform. We build markets, services, and economic opportunity for creative entrepreneurs.

Etsy strives to operate as a mindful, transparent, and humane business. To demonstrate this commitment, we're issuing our third Transparency Report for Etsy.com, which like 2014 and 2015, quantifies how we handle allegations of intellectual property infringement, content that doesn’t meet our guidelines, transactional disputes between members, and requests to disclose member information.

As of December 31, 2016 more than 45 million items were listed for sale; we had 28.6 million active buyers, and 1.7 million active sellers doing business in nearly every country in the world. Our House Rules outline the policies and guidelines for our community.
By using our service, Etsy sellers represent that they have all necessary intellectual property rights in the content of their Etsy shop. Etsy’s Intellectual Property Policy reflects a commitment to the expeditious removal of allegedly infringing material with responsible communication of such to our members and third parties. Our Legal Support team reviews allegations and notices of infringement under our policies.

Insights from 2016
Etsy executed 18,857 properly submitted takedown notices, removing or disabling access to 235,201 listings, from 59,131 sellers. We closed 4,525 shops for repeat infringement. Complaining parties formally withdrew their notice(s) 367 times. Overall, we saw a 70% increase in intellectual-property related takedowns from 2015.

93% of the notices we received were submitted via our reporting form, which allows us to process notices with greater efficiency and enables authorized parties to send notices with quality and ease.

We rejected 8% of notices. A notice may be rejected, for example, if Etsy is unable to verify that the point of contact is authorized to act on behalf of the intellectual property owner, if the description of the intellectual property is insufficient, or if the notice fails to comply with Etsy’s policies. Etsy also received 1,523 DMCA counter notices from members opposing copyright claims.

INTELLECTUAL PROPERTY TAKEDOWNS, BY TYPE
Takedown notices range from trademark to copyright to patent infringement and more.
Policy Enforcement

All Etsy shops must follow our Seller Policy, which outlines what is eligible to be sold on the site. Etsy’s Trust and Safety team enforces that policy, reviewing and removing items and member accounts due to violations. The violations may range from reselling commercial items to listing items on our prohibited items list to repeatedly providing poor customer service to buyers. The team employs a combination of automated systems, community flags, and proactive review by specialized Etsy admin to monitor and protect the integrity of the market.

Insights from 2016

In 2016, Etsy received 297,838 flags regarding potentially non-compliant listings, including both internal and community-generated flags. The number of flags received is trending down from 2015, which is attributed to an increase in proactive efforts to close shops and remove non-qualifying items before the community flags them. The majority of flags, 229,010 (77%), were reviewed manually, while the rest were processed automatically by our software systems.

In total, Etsy’s policy enforcement teams closed a total of 263,315 accounts for non-IP related market policy violations in 2016.
Resolving Member Disputes

If an order is not delivered or the item is not as described in the product listing, we ask that the seller and buyer work together to reach an amicable resolution. While Etsy is not directly involved in a transaction between buyers and sellers, we provide a Case System for members to work together to resolve disputes with the assistance of Etsy’s Dispute Resolution team.

Insights from 2016

About ⅙ of 1 percent (0.3%) of orders placed in 2016 resulted in a case. One percent (1%) of buyers with a purchase in 2016 filed a case. Less than 10 percent (9.5%) of sellers who made at least one sale in 2016 received a case.

The number of orders resulting in a case is trending down from 2015, as a result of the Trust and Safety team’s efforts to enforce Service Level Standards and ensure that Etsy sellers are maintaining an acceptable level of customer service.
Requests for Member Information

Our Privacy Policy explains how we handle member information and the importance we place on transparency. Legal process (such as a subpoena or court order) may compel us to disclose records or information about our members. Etsy’s Requests for Information Policy is a guide on how our Legal Support team reviews and responds to such requests.

When possible, and as permitted under applicable law, we notify members about legal process requests for information from third parties.

Insights from 2016

Etsy produced records in response to 62 of the 75 formal legal process requests we received. In connection with these requests, we disclosed member information on 95 accounts. Etsy received and complied with about twice as many legal process requests in 2016 as in 2015. We also received 338 requests from members outside of North American to delete their account information.
Aside from requests for member information, we also received legal process requests that were administrative in nature, such as requests to debit, lien or otherwise freeze the funds of a member’s Shop Payment Account in order to comply with a debt-related order from a court.

Etsy disclosed member account, transaction, or listing information in other limited circumstances as permitted under our Privacy Policy. This allows the release of information when we believe in good faith that disclosure is necessary to comply with the law, prevent imminent physical harm or financial loss, or investigate, prevent, or take action regarding illegal activities, suspected fraud, threats to our property, or violations of Etsy’s Terms of Use. In particular, we responded to requests from law enforcement about specific transactions and accounts related to potentially fraudulent activity. We also cooperated with requests about the movement of goods that may not have been permitted in the U.S. under USDA regulations, where we provided seller and buyer information to the USDA.

We did not receive national security letters, FISA orders, or other classified requests for information in 2016.
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