

Congress of the United States
Washington, DC 20515

August 31, 2021

Secretary Gina Raimondo
U.S. Department of Commerce
1401 Constitution Avenue NW
Washington, D.C., U.S.

Dear Secretary Raimondo:

The Chinese company Shenzhen DJI Sciences and Technologies Ltd. (DJI) was placed on the Department of Commerce’s Entity List in December 2020 for its role in supporting China’s human rights abuses.¹ We write to request that the Department maintain and enforce DJI’s status on Entity List and investigate DJI’s drone pricing which has eroded the domestic manufacturing base.

Reporting over the past few years suggests that DJI drones may have been used by Chinese security forces in Xinjiang engaged in human rights abuses. Prior to reporting in 2020, the DJI website outlined a deal for ‘strategic cooperation’ to provide police drones to the public security bureau of Xinjiang.² The content was removed after reporters inquired about it. Later that year, the Department placed DJI on its Entity List—along with 76 other companies—and criticized China’s use of “ubiquitous surveillance to repress its citizens in Xinjiang.”³

Additional evidence emerged revealing drone footage of men shackled and blindfolded at a train station in Xinjiang in 2019.⁴ We are gravely concerned that DJI drones may have been used to perpetuate human rights abuses and with attempts to cover up their potential involvement. This record of complicity and perfidy underscores that DJI should remain on the Department’s Entity List until it can prove it has disassociated itself from these abuses.

Unfortunately, consumers looking for alternatives to buying DJI products have few options. In 2020, DJI had 77% of the American consumer drone market.⁵ Its next closest rival had less than 4% of the market. DJI was able to attain its monopoly through extremely low pricing. Reports indicate that DJI dropped its prices for consumer drones by as much as 70% in 2015.⁶ Since then, three of their largest competitors stopped production of consumer drones. The result has been a

¹ <https://www.federalregister.gov/documents/2020/12/22/2020-28031/addition-of-entities-to-the-entity-list-revision-of-entry-on-the-entity-list-and-removal-of-entities>

² <https://www.bloomberg.com/news/features/2020-03-26/dji-s-drone-supremacy-comes-at-a-price>

³ <https://2017-2021.commerce.gov/news/press-releases/2020/12/statement-secretary-ross-departments-77-additions-entity-list-human.html>

⁴ <https://www.theguardian.com/world/2019/sep/23/china-footage-reveals-hundreds-of-blindfolded-and-shackled-prisoners-uighur>

⁵ <https://www.bloomberg.com/news/features/2020-03-26/dji-s-drone-supremacy-comes-at-a-price>

⁶ <https://www.vox.com/2017/4/14/14690576/drone-market-share-growth-charts-dji-forecast>

dramatic loss of domestic production capability, according to an official from the Department of Defense.⁷

These tactics have harmed consumer choice while making DJI the default consumer drone provider in the United States. We respectfully request that the Department of Commerce investigate DJI's pricing of its consumer drone products and its successful effort to drive competitors out of the market.

DJI deserves additional scrutiny by the Department of Commerce for its history of complicity with human rights abuses and its market tactics. We ask that DJI remain on the Department's Entity List and that the Department investigate its pricing of consumer drones which has harmed American consumers. Thank you for considering our requests.

Sincerely,



Jan Schakowsky
Chair, Consumer Protection and
Commerce Subcommittee
House Committee on Energy and Commerce



Gus M. Bilirakis
Ranking Member, Consumer Protection and
Commerce Subcommittee
House Energy and Commerce Committee

⁷ <https://www.nationaldefensemagazine.org/articles/2019/10/18/pentagon-about-to-kick-off-first-trusted-capital-marketplace-event>