April 11, 2021

The Honorable Charles Schumer
Senate Majority Leader
United States Senate
S-221 U.S. Capitol
Washington, D.C. 20515

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
H-232 U.S. Capitol
Washington, D.C. 20515

The Honorable Mitch McConnell
Senate Republican Leader
United States Senate
S-230 U.S. Capitol
Washington, D.C. 20515

The Honorable Kevin McCarthy
House Republican Leader
U.S. House of Representatives
H-204 U.S. Capitol
Washington, D.C. 20515

Dear Majority Leader Schumer, Republican Leader McConnell, Speaker Pelosi, and Republican Leader McCarthy:

The below undersigned independent business associations — a coalition of small business organizations and individual entrepreneurs — write to express our support and underscore urgency for Congress to advance legislation aiming to address Big Tech's monopoly power. Concentrated market power is the single biggest threat facing independent businesses, and the status quo in our digital markets is untenable.[1] The bipartisan package of bills is proof there is momentum on both sides of the aisle and represent an unprecedented opportunity to level the playfield for our small, independent businesses.

We have long urged Congress to act. We supported the House Judiciary Committee's extensive investigation into Big Tech's monopoly power and enthusiastically advocated for the comprehensive package that passed out of the House Judiciary Committee last June. We expressed our support for the companion legislation in the Senate – American Innovation and Choice Online Act (self-preferencing bill) – that passed out of Senate Judiciary Committee this year. Now, we urge House and Senate leadership to bring the bill to the floor.

[1] *See ILSR*. 2022, "2022 Independent Business Survey: Top Challenges and Policy Priorities." March 30. https://ilsr.org/2022-survey-businesses/.

While we strongly prefer the House version, which we believe will more effectively prevent the tech giants from favoring their own products and blocking their smaller rivals by including a private right of action, we nevertheless urge Congress to pass this legislation without delay. Furthermore, our coalition views this legislation as a crucial first step – setting the stage to pass the comprehensive package passed out of the House Judiciary Committee. We also urge policymakers to pass H.R. 3825, the bipartisan Ending Platform Monopolies Act, to undo the inherent conflict of interests embedded in Big Tech's business model. Big Tech companies, like Amazon, derive much of their power to bully and exploit independent businesses from their integration across business lines and the fact that they play multiple roles in markets. This gives rise to overwhelming conflicts of interest that inevitably lead to anti-competitive and market-distorting behavior.

Big Tech lobbyists have flooded lawmakers' offices with exaggerations and falsehoods about Congress's push to address Big Tech's gatekeeper power. They have frequently claimed to have the support of the small business community, even as recent reporting has shown otherwise.[2] The truth is, our members see little future for American small business if the tech giants continue to corner our digital markets and use their gatekeeper power to favor their own products and block those of smaller rivals. Congress will be making the online marketplace more competitive by ensuring entrepreneurs and small start-ups can compete, and that small, independent companies selling online are free to choose the best and most affordable services without fear of retribution from the tech giants.

Small businesses are the backbone of America's economic dynamism and the vitality of our local communities. Now is the moment for Congress to advance legislation that will safeguard the right for independent businesses to compete and serve the needs of their communities.

Sincerely,

Alliance for Pharmacy Compounding
Alliance of Independent Media Stores
American Booksellers Association
American Independent Business Alliance
American Specialty Toy Retailing Association
Austin Independent Business Alliance
Dane Buy Local
Cambridge Local First
Independent Office Products and Furniture Dealers Association
Institute for Local Self-Reliance
Local First Arizona
Lowcountry Local First

[2] Birnbaum, Emily. 2022, "Group backed by tech giants claims thousands of members. Many have never heard of it." *Politico*. March 30. https://www.politico.com/news/2022/03/30/connected-commerce-council-amazon-google-lobbying-00021801.

Louisville Independent Business Alliance
Main Street Alliance
North American Hardware and Paint Association
Shop Local Raleigh/Greater Raleigh Merchants Association
Spokane Independent Metro Business Alliance
Running Industry Association

cc:

The Honorable Amy Klobuchar
Chair, Subcommittee on Competition Policy, Antitrust, and Consumer Rights
425 Dirksen Senate Building
Washington, DC 20510

The Honorable Chuck Grassley
Ranking Member, U.S. Senate Committee on the Judiciary
224 Dirksen Senate Office Building
Washington, DC 20510

The Honorable David Cicilline
Chairman, Subcommittee on Antitrust, Commercial and Administrative Law
2233 Rayburn HOB
Washington, DC 20515

The Honorable Ken Buck
Ranking Member, Subcommittee on Antitrust, Commercial and Administrative Law
2455 Rayburn House Office Building
Washington, DC 20515