

June 22, 2021

The Honorable Jerrold Nadler Chairman U.S. House Committee on the Judiciary Washington, DC 20515

The Honorable Jim Jordan Ranking Member U.S. House Committee on the Judiciary Washington, DC 20515

Dear Chairman Nadler and Ranking Member Jordan,

Small Business Rising, a coalition of more than 25 independent business organizations representing more than 150,000 independent businesses owners, urge you and the members of the House Judiciary Committee to take up and pass the bipartisan package of antitrust legislation currently before the Committee, including and especially H.R. 3825, the Ending Platform Monopolies Act.

Concentrated market power is the single biggest threat facing independent businesses. These bills are a step toward restoring competitive markets and unlocking the potential of Americans to grow successful businesses and build an economy that is more prosperous, equitable, and innovative.

For small businesses, H.R. 3825 is a critical piece in the package of five bills. This bill prevents the Big Tech platforms from abusing their dominance to favor their own products, services, and business lines. This is a top priority for Small Business Rising and critical to stopping Amazon's anticompetitive tactics against independent, small businesses and safeguarding independent businesses' right to compete and serve the needs of our communities.

Every day, we lose more independent businesses because of the abusive and anticompetitive tactics of monopolistic corporations. By splitting apart the dominant tech platforms and their adjacent lines of business, H.R. 3825 will inject much needed competition into multiple industries that are now tilted in favor of the tech giants and their monopoly platforms — helping

to reverse the decline of new businesses, innovation, and entrepreneurship in the U.S. economy.

The need to pass this legislation should be clear to members of the Committee. An in-depth, 15-month investigation by the Committee's Antitrust Subcommittee revealed myriad anticompetitive abuses by the tech companies, resulting in a comprehensive 450-page report that recommended many of the legal changes included in this package of legislation. The abuses detailed in that report demonstrated the deep harm the Big Tech companies' anticompetitive actions can inflict on small businesses, consumers, workers and the broader economy — and underscore the urgency with which this Committee must act to right those wrongs.

Small Business Rising also strongly supports the passage of the other bills in the legislative package before the Committee. A priority for our coalition, H.R. 3816, the American Choice and Innovation Online Act, works in conjunction with H.R. 3825 by establishing protections to prevent dominant platforms from excluding smaller competitors or impeding their ability to compete. A private right of action is a key provision to ensure non-discrimination is enforceable.

Meanwhile, H.R. 3826, the Platform Competition and Opportunity Act sets a high bar for approving mergers by corporations that are already large and dominant in their industries, and helps stop further consolidation, allowing small and independent businesses to compete.

Structural separation was once "a standard regulatory tool and key antitrust remedy in network industries," applied in industries including railroads, bank holding companies, television networks, and telecommunication carriers.¹ Today, we ask the members of this Committee to embrace that history, and pass this bill in order to ensure a fair, open, and competitive market that safeguards liberty and opportunity for all.

For any questions or follow-up, please contact Katy Milani at <u>katy@smallbusinessrising.net</u>, or Mary Timmel at <u>mary@smallbusinessrising.net</u>.

Sincerely yours,

Small Business Rising American Booksellers Association American Independent Business Alliance (AMIBA) American Specialty Toy Retailing Association Cambridge Local First Dane Buy Local Independent Office Products and Furniture Dealers Association (ISSA) Institute for Local Self-Reliance Local First Arizona Local First Utah

¹ The Separation of Platforms and Commerce," Lina M. Khan, Columbia Law Review, Vol. 119, No. 4

Louisville Independent Business Alliance Main Street Alliance Main Street Alliance of Minnesota Main Street Alliance of New Jersey Main Street Alliance of Oregon Main Street Alliance of Vermont Main Street Alliance of Virginia Main Street Alliance of West Virginia Main Street Alliance of West Virginia Main Street Alliance of Wisconsin MetroIBA North American Hardware and Paint Association (NHPA) Shop Local Raleigh StayLocal Running Industry Association