

December 16, 2025

VIA EMAIL

The Honorable Scott Fitzgerald
Chairman
Subcommittee on the Administrative State, Regulatory Reform, and Antitrust
U.S. House of Representatives
Washington, DC 20515

The Honorable Jerrold Nadler
Ranking Member
Subcommittee on the Administrative State, Regulatory Reform, and Antitrust
U.S. House of Representatives
Washington, DC 20515

Re: Hearing on “Anti-American Antitrust: How Foreign Governments Target U.S. Businesses”

Dear Chairman Fitzgerald and Ranking Member Nadler:

I am writing on behalf of the Software & Information Industry Association (SIIA) to provide views on the European Union (EU) Digital Markets Market (DMA) relevant to the Subcommittee’s hearing on “Anti-American Antitrust: How Foreign Governments Target U.S. Businesses.” We respectfully request that this letter be included in the record of that hearing.

SIIA is the principal trade association for those in the business of information. Our roughly 400 members reflect the landscape of digital content providers and users in academic publishing, education technology, and financial information, along with creators of software and platforms used worldwide, and companies specializing in data analytics and information services. SIIA is dedicated to fostering a healthy information ecosystem, one that fosters creation, dissemination, and productive use. We believe in a competition policy that is focused on promoting innovation, protecting the competitive process, and providing consumers with superior products and services at competitive prices.

As the Committee is undoubtedly aware, the EU has outlined a very ambitious agenda for the development of its digital economy through 2030.¹ On its current trajectory, however, it is not on track to meet those goals. And there is no doubt that the DMA, and how it is being enforced, has contributed significantly to the inability of the EU’s digital economy to develop at pace with the rest of the world.

Among the reasons EU policymakers offered in support of the DMA as it wound its way through the legislative process were that (1) small- and medium-sized business users, who depend on designated

¹ See Europe’s Digital Decade: Digital Targets for 2030 (Digital Decade Report). Available at https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/europe-fit-digital-age/europees-digital-decade-digital-targets-2030_en

gatekeeper companies to bring their own offerings to market in the EU and beyond would have a more fair business environment to operate in; (2) technology start-ups would be better able to compete since they would no longer have to contend with “unfair business terms and conditions”; (3) end users and consumers would have more and better products and services to choose from, and at lower prices; and (4) gatekeeper companies—at the same time as having to comply with a raft of new rules and regulations—would keep innovating and bringing new and better offerings to market.

Based on what has actually happened since the DMA took effect, however, the picture that is emerging is significantly less promising. Businesses in the tourism industry, for instance, have experienced significantly reduced customer traffic and loss of sales to higher-priced intermediation services due to changes that Google was forced to make to its search engine. European technology start-ups, rather than being able to leverage new ways to innovate and compete, have lost access to cutting edge technologies, and are finding it more difficult to scale and expand beyond their existing markets. In addition, there are numerous examples of product offerings that have been either substantially delayed or no longer will be available in the EU due to uncertainty about DMA requirements and how they are being implemented. And consumers and end users, rather than the better services they were promised, must contend with degraded products and online search experiences, less privacy and data security, and increased prices. The law has not only failed to achieve its policy aims, it has actively undercut them.

From its inception, the DMA has also been criticized for only targeting a handful of tech companies – most based in the United States – based on arbitrary thresholds. Six of the seven companies designated by the European Commission as “gatekeepers” are American, and 23 of the 24 “core platform services” designated by the Commission are provided by U.S. companies (TikTok being the lone exception). Moreover, every DMA investigation launched by the Commission thus far has been against an American company.

Another concern is that the DMA imposes numerous and rigid *per se* rules that apply regardless of whether the conduct in question has been shown to harm competition or not. Add to this there is no acknowledgement that most of the covered platforms operate in different markets and have different business models, making a one-size-fits-all approach ill-suited, increasing the risk that issues are misdiagnosed, and that proscribed remedies end up doing more harm than good. And that is exactly what we are seeing in Europe.

It is also worth stressing that the upshot of the DMA, and the unique and specialized obligations that it imposes, is that large digital platforms offering core platform services in the EU are required to operate differently than they do in other parts of the world. This means that a range of digital services, such as software development kits, data aggregation and analysis, payment systems, and cybersecurity solutions, have become more expensive, making it that much harder for Europe to develop its own thriving digital economy. This is reflected in the findings of Mario Draghi in his seminal evaluation of EU competitiveness published last year. As he explains, “the EU’s regulatory stance towards tech companies hampers innovation: the EU now has around 100 tech-focused laws and over 270 regulators across all



Member States. Many EU laws take a precautionary approach, dictating specific business practices ex ante to avert potential risks ex post.”²

The potential penalties for non-compliance under the DMA are exorbitant. Companies found to have violated the DMA can be fined up to 10% of their total worldwide annual turnover, or up to 20% in the event of repeated infringements, with penalties of up to 5% of the average daily revenue. We are already seeing the effect of this. In April, for example, the EC fined Apple and Meta €500 million and €200 million, respectively, for alleged DMA violations.

Fines are only part of the story, however. The DMA has been projected to cost \$200 million per year in compliance costs for gatekeeper companies,³ and up to \$130 billion in lost revenue for the broader business community.⁴ The Center for Strategic & International Studies estimates that the DMA and the EU’s Digital Services Act together will lead to a \$18 billion loss for the United States in digital exports, equal to 2 percent of U.S. services exports.⁵

The broader trends are even starker. A recent study estimates that by 2030, the U.S. online digital services industry could accumulate lost revenue of between \$879 billion and \$2.2 trillion due to EU digital services regulations (including but not limited to the DMA).⁶ One effect of this is to shift funds from R&D and other productive uses to compliance costs, fines, and lost opportunity. The loss in R&D investment is particularly acute: the same study estimates \$132 to \$326 billion in decreased R&D expenditures by 2030.⁷

In addition, while American companies targeted by the European Commission have attempted to comply with the EU’s demands, reporting indicates that the Commission has continually moved the goalposts, escalating investigations without clarity about what companies must do to avoid running afoul of the law.

The DMA is also having a damaging effect on the European economy and its citizens. It has already led American companies to make significant changes to the products they are able to offer in

² See Draghi, Mario, The Future of European Competitiveness – Part A | A Competitiveness Strategy for Europe, European Commission, September 2024, at 4. Available at https://commission.europa.eu/document/download/97e481fd-2dc3-412d-be4cf152a8232961_en?filename=The%20future%20of%20European%20competitiveness%20_%20A%20competitiveness%20strategy%20for%20Europe.pdf

³ See Schram, Carl, J., Costs to U.S. Companies from EU Digital Services Regulation, LAMA Economic Research, Computer & Communications Industry Association, July 25, 2025, at 8. Available at <https://ccianet.org/research/reports/costs-to-us-companies-from-eu-digital-services-regulation/>

⁴ See Oxford Economics, Exploring the Economic Impact of Regulation in Digital Markets, October 14, 2025. Available at <https://www.siia.net/the-economic-impact-of-regulation-in-digital-markets/>

⁵ Suominen, Kati, Implications of the European Union’s Digital Regulations on U.S. and EU Economic and Strategic Interests, Center for Science & International Affairs, November 2022, at 26. Available at https://csis-website-prod.s3.amazonaws.com/s3fs-public/2023-02/221122_EU_DigitalRegulations-3.pdf?VersionId=04r7zBzS2kHNhsISAg4NkC6lGNgip7S

⁶ *Supra* note 9, at 49.

⁷ *Id.*



Europe. They have delayed and cancelled releases, and have withheld numerous features that users in the United States and around the world rely on daily. The DMA has, in effect, made vertical integration presumptively illegal, threatening not only American companies but the future of innovation by European-based companies, subject to the whims of the European Commission.

The DMA's adverse impacts on the European technology industry, the EU economy, and its citizens is a consistent finding across a range of analyses conducted by EU experts⁸, and independent experts.⁹ The European Commission is currently in the process of gathering feedback on the DMA and its implementation. SIIA has submitted extensive comments as part of that process that elaborate on the points made above.¹⁰ Yet, despite this record of numerous and substantial adverse consequences, a range of other jurisdictions are, at present, actively considering passing similar legislation, including Australia¹¹, South Africa¹², and Brazil¹³.

Finally, the DMA interoperability requirements have also created serious security risks. The regulations increase the surface area for cyberattack against European business and end users. And as with many other elements of DMA implementation, the Commission has presented requirements to gatekeeper companies inconsistently and without clear understanding of the implications.

We thank you for the important work that you and the Committee are doing to raise these important issues with the American public. We look forward to continuing to work with you to support the interests of competition and American innovation.

Respectfully submitted,



Christopher A. Mohr
President

⁸ *Supra* note 2; see also Letta, Enrico, Much More than a Market, Council -- European Union, April 2024. Available at <https://www.consilium.europa.eu/media/ny3j24sm/much-more-than-a-market-report-by-enrico-letta.pdf>

⁹ *Supra* note 4; see also Cennamo, Carmelo, et al., Economic Impact of the Digital Markets Act on European Businesses and the European Economy, Digital Markets Competition Forum, Copenhagen Business School, June 2025. Available at <https://www.dmcforum.net/wp-content/uploads/2025/06/120625-FINAL-CCIA-DMA-Report.pdf>

¹⁰ See Consultation on the Review of the Digital Markets Act – Responses to DMA Questionnaire, SIIA, September 24, 2025. Available at https://www.siiainc.org/wp-content/uploads/2025/09/SIIA-Response-to-DMA-Consultation_FINAL.pdf

¹¹ See Comments to the Australian Treasury on Proposed Digital Competition Regime, SIIA, February 13, 2025. Available at https://www.siiainc.org/wp-content/uploads/2025/02/SIIA-Submission-on-Treasury-new-digital-regime-proposal_FINAL.pdf

¹² See Comments on the Draft Online Intermediation Platforms Guidance Note, SIIA, November 26, 2025. Available at https://www.siiainc.org/wp-content/uploads/2025/12/Letter-re-Online-Intermediation-Platform-Guidance-Notice_FINAL.pdf

¹³ See Skroejer, Morten, Brazil Should Learn From, Not Replicate, EU and UK Mistakes, SIIA, November 10, 2025. Available at <https://www.siiainc.org/brazil-should-learn-from-not-replicate-eu-and-uk-mistakes/>

