



June 21, 2021

Online Merchants Guild

Statement of Support – Antitrust Legislation
(H.R. 3460, H.R. 3816, H.R. 3825, H.R. 3826, H.R. 3849 & H.R. 3849)

The Online Merchants Guild, which represents, and whose membership is solely made up of, the small and micro eCommerce businesses that rely on Amazon as a primary source of income, is pleased to support the proposed antitrust legislation currently being considered by Congress. We believe this legislation will increase competition and ultimately benefit consumers and other market participants.

Online platforms, such as Amazon and eBay, have, for the first time in history, allowed every American to benefit from access to the US national marketplace, making them an essential utility to our members and millions of American small businesses. Thanks to these platforms, the technical and economic barriers to entry for any person living anywhere in the United States, to create and grow a successful, thriving business with instant national reach, whether through reselling or launching their own branded products, have never been lower.

However, as the popularity of the platforms have grown over the years, so have the ability and incentives for those who control the platforms to take advantage of the small and micro-sized businesses that are reliant on them—especially Amazon. Amazon has monopoly power over its merchants, who cannot hope to replicate Amazon’s railroad-like infrastructure, and there is no competitor on the horizon who can offer a competing railroad—not even the massive Wal-Mart which cannot compete with the over 100 million US households whose attention has been locked on Amazon via their Prime membership. Simply put, small businesses who want to access the national eCommerce market have no choice but to use Amazon’s railroad on Amazon’s terms, which often benefit Amazon, rather than consumers or the market generally.

This means that while the nominal barrier to entry still remains low, the barrier to *success* becomes greater and greater every year, as these platforms continue to extend their overreach over those who rely on the utility they provide. It is therefore essential and clearly in the national interest for Congress to take these critical steps by passing legislation that will protect the fundamental right of every American to have the opportunity to earn a living via free and equal access to our national economy.

Therefore, the Online Merchants Guild is proud to support Congress’s efforts to protect small businesses by introducing this groundbreaking legislation to address the inequities that exist on Amazon’s platform, which has (thanks in part to nearly a hundred billion in secret, backroom state sales tax avoidance arrangements, whereby jobs and warehouses were traded in exchange for Amazon’s right to undercut their local competition on price for over a decade, all at the expense of the US taxpayer) become the railroad of our nation’s eCommerce marketplace.

Sincerely,

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