Congress of the United States

H.S. House of Representatives Committee on Small Business 2361 Rayburn House Office Building Washington, DC 20515-6315

October 12, 2018

The Honorable Joseph J. Simons Chairman Federal Trade Commission 600 Pennsylvania Avenue, NW Washington, DC 20580

Dear Chairman Simons:

Congratulations on completing the Commission's first round of hearings around *Competition* and *Consumer Protection in America's 21st Century*. We are pleased that these hearings have been scheduled, as we agree that digital technologies have changed our nation and our economy in extraordinary ways that justify study and consideration.

We are concerned however that one important perspective has been missing from the first round of your FTC hearings, the voices of America's small businesses. Small businesses are the foundation of America's economy, employers of 60 million Americans, and are the backbone of our communities. They deserve a seat at the table when policies affecting them are discussed and when new policies and laws are being considered. Small businesses increasingly rely on digital tools and technology platforms to increase sales, reach new customers and ultimately hire more Americans. The consequences of policies that deny small business the same access to digital tools enjoyed currently, or that make those tools any less effective, would have detrimental impacts for small business operators and ripple across the economy.

As Chair and Ranking Member of the Small Business Committee, we urge that the Commission's next round of hearings and research be more comprehensive and inclusive of all sectors of the economy and that small business people and data about how small business use technology and data be included as part of the official record.

It is common to discuss the digital economy as driven by America's tech industry leaders, e.g., Google, Facebook and Amazon. But quietly and without fanfare, America's small businesses have adopted digital technology with remarkable speed and success. Studies document that digitally-powered small businesses are the most successful, and that their technologies are well beyond simple email and websites. Millions of traditional local businesses have re-invented

themselves with digital, and millions more literally would not exist absent the efficiencies and opportunities associated with digital platforms and tools.

After the 2008 recession began, when America's largest companies laid off millions of workers, Americans' entrepreneurs built new businesses and new futures with their initiative, ingenuity, creativity, hard work, and digital technologies. America's small businesses represent some of our greatest digital success stories. We hope that you agree they deserve to be included and considered by the FTC and encourage you to engage with them to hear their views on the digital economy.

Sincerely,

Ranking Member

Committee on Small Business

Steve Chalot

Steve Chabot Chairman

Committee on Small Business

Cc: Commissioner Noah Joshua Phillips, Federal Trade Commission

Commissioner Rohit Chopra, Federal Trade Commission

Commissioner Rebecca Kelly Slaughter, Federal Trade Commission

Commissioner Christine S. Wilson, Federal Trade Commission