

April 13, 2021

The Honorable Jerrold Nadler Chairman Committee on the Judiciary U.S. House of Representatives Washington, DC 20515 The Honorable Jim Jordan
Ranking Member
Committee on the Judiciary
U.S. House of Representatives
Washington, DC 20515

RE: Adoption of Antitrust Subcommittee staff report on Investigation of Competition in Digital Markets

Dear Chairman Nadler and Ranking Member Jordan:

Consumer Reports is pleased that the Committee is meeting to vote on adoption of the Antitrust Subcommittee Majority staff report released in October. This report distills findings from a thorough bipartisan Subcommittee investigation, spanning almost a year and a half, into how the online marketplace is working. Or more accurately, into how the online marketplace is *not* working to deliver the benefits of competition to consumers, to those who seek to reach them – independent businesses, workers, and creators – and to a strong economy.

Throughout our 85-year history, Consumer Reports has emphasized the fundamental importance of competition for ensuring a marketplace that works for consumers, by empowering them with the leverage of choice, the ability to go elsewhere for a better deal, which means businesses have to be responsive to consumers' interests. As a survey we conducted last summer found, consumers do not have confidence that the online marketplace is working for them, and they support corrective action by Congress.¹

The staff report documents a marketplace dominated by a handful of giant digital platforms that increasingly control commerce and communications over the internet – the information consumers obtain, the products and services they are offered, and their connections to friends and the world. And it documents that these platforms are engaging in anticompetitive behaviors that perpetuate their dominance, at the expense of choice and opportunity for others, whether they be consumers, sellers, creators, or communicators. Alphabet/Google, Amazon, Apple, and Facebook are among the most powerful companies in the world today, not only

¹ https://advocacy.consumerreports.org/press_release/consumer-reports-survey-finds-that-most-americans-support-government-regulation-of-online-platforms/.

because they've bested the marketplace, but because they've *become* the marketplace, and have undue gatekeeper power over who can enter it, and on what terms.

The staff report provides a solid foundation for continuing bipartisan work, in the Committee and in Congress, to consider appropriate steps to address this dysfunctional situation, and help ensure that the online marketplace works for consumers, for businesses big and small that seek to serve their needs, for all who seek to reach them on the internet, and for our economy. We look forward to working with you to further that important goal.

Sincerely,

George P. Slover Senior Policy Counsel

Consumer Reports

Sumit Sharma

Senior Researcher, Technology Competition

Consumer Reports

cc: Members, Committee on the Judiciary