



June 15, 2021

The Honorable Amy Klobuchar
Chairwoman
Subcommittee on Competition Policy,
Antitrust, and Consumer Rights
Committee on the Judiciary
United States Senate
Washington, DC 20510

The Honorable Mike Lee
Ranking Member
Subcommittee on Competition Policy,
Antitrust, and Consumer Rights
Committee on the Judiciary
United States Senate
Washington, DC 20510

RE: Hearing on Protecting Competition and Innovation in Home Technologies

Dear Chairwoman Klobuchar and Ranking Member Lee:

Consumer Reports is pleased the Subcommittee is holding this hearing to examine competition for internet-enabled home technologies. We share your interest in ensuring that companies both big and small have a fair opportunity to compete and innovate to better serve consumers and households.

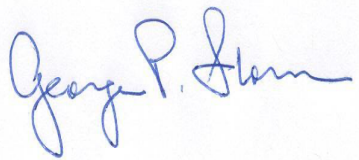
Connected home technologies promise to bring significant benefits for consumers by revolutionizing the operation of basic home products and services, making them more convenient, reducing costs, extending their useful life, and reducing their environmental impact. This progress will be best promoted by keeping the way open for vigorous competition and diverse innovation by companies with different business models and industry backgrounds – not just the existing technology platforms. This progress will be at risk, however, if large online platforms are allowed to leverage their dominance into the connected home and set market rules for all.

We must recognize that the large online platforms have every incentive to do so, as their data-driven business models feed off the large amounts of data generated by connected home products and appliances. More importantly, voice-activated devices in the home, such as smart speakers, are likely to become central to how consumers interact with connected devices at home and with online services more generally. Control over this technology would allow the platform to act as restrictive gatekeeper, either preferencing the offerings of its own affiliates, or anticompetitively picking and choosing among the range of competing offerings.

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. This spurs a healthy incentive for businesses to keep prices low and quality high, to offer variety, and to innovate. Nurturing this incentive through sound and effective antitrust enforcement and complementary market rules is crucial for the fast-developing connected home technologies sector.

We appreciate the Subcommittee's ongoing commitment to ensuring that the marketplace is functioning competitively as it should, and we look forward to continuing to work with you on this important consumer objective.

Sincerely,



George P. Slover
Senior Policy Counsel
Consumer Reports



Sumit Sharma
Senior Researcher, Technology Competition
Consumer Reports

cc: Members, Subcommittee on Competition Policy, Antitrust, and Consumer Rights