

The Honorable Maria Cantwell, Chair
The Honorable Roger F. Wicker, Ranking Member
U.S. Senate Committee on Commerce, Science, and Transportation
Hart Senate Office Building 420 A
Washington DC, 20510

April 14, 2021

To Chair Cantwell and Ranking Member Wicker:

The below undersigned independent business associations represent over 130,000 independent businesses across the country from industries including booksellers, pharmacist, office product dealers and many others. We are members of a new campaign of business owners and entrepreneurs, <a href="Small Business Rising">Small Business Rising</a>, which is calling on policymakers to break up monopoly power and safeguard the right for independent businesses to compete and serve the needs of their communities. We submit this letter to express our strong support of Lina Khan's nomination to the Federal Trade Commission (FTC). We believe Ms. Khan is an obvious choice to join the FTC because of her deep expertise in antitrust law, extensive government and policymaking experience, and commitment to fostering an entrepreneurial, equitable, and prosperous economy. Ms. Khan is especially well-qualified to help reinvigorate the FTC at a time when the agency's enforcement authority is critically important to addressing market power problems and restoring competition.

Ms. Khan's extensive scholarship and deep expertise in antitrust law makes her the exceptionally qualified candidate for the FTC. Her groundbreaking Yale Law Journal article, *Amazon's Antitrust Paradox*, pioneered a powerful legal and policy vision to address the anticompetitive and predatory market abuses small and independent businesses face in the digital marketplace. Her research is widely recognized for reshaping antitrust law in the U.S. and globally. Her scholarship received several awards and is extensively celebrated in the press. Furthermore, Ms. Khan recognizes the ways concentration has undermined dynamism and new business formation, which in many cases makes it nearly impossible for independent businesses to enter the marketplace. She published research showing that new business formation in the U.S. has been declining for 40 years, challenging the then-prevailing view that entrepreneurs were thriving, and that new business formation was strong.

<sup>&</sup>lt;sup>1</sup> See: https://www.yalelawjournal.org/note/amazons-antitrust-paradox

Ms. Khan also brings extensive government and policymaking experience, including a track record leading bipartisan efforts. She worked at the FTC as a legal advisor to FTC Commissioner Rohit Chopra. She is also widely respected in Congress, particularly for her leadership on the House Subcommittee on Antitrust, Commercial and Administrative Law bipartisan investigation into the monopoly power of Apple, Amazon, Facebook, and Google.<sup>2</sup> Her deep expertise of the tech platforms business models and the ways in which monopolistic firms impact other industries was viewed as an invaluable asset for policymakers. The investigation's findings and its legislative and regulatory recommendations to rein in the power of these corporations garnered bipartisan support in large part because of her deep expertise and ability to work across the political aisle.

Concentrated market power is the biggest threat facing independent businesses, which has taken a particular toll on businesses in rural communities and businesses owned by Black, Indigenous, people of color and women. For too long, federal antitrust enforcement agencies have failed to stop corporations from amassing outsize power and using it to block independent businesses from competing. The House investigation concluded that the antitrust authorities have repeatedly fallen down on the job—stating that "together with the DOJ, the FTC has chosen to stop enforcing certain antitrust laws entirely." <sup>3</sup> Ms. Khan is exceptionally well-qualified to revive antitrust enforcement, and to work with other FTC commissioners to do so. We trust she will use U.S. competition laws to enable independent businesses to compete in the marketplace.

We strongly support Ms. Khan's nomination to the FTC and urge you to lead the members of the Committee on Commerce, Science, and Transportation committee in a swift confirmation process.

## Sincerely,

Alliance for Pharmacy Compounding
American Booksellers Association
American Independent Business Alliance (AMIBA)
Cambridge Local First
Independent Office Products and Furniture Dealers Association (ISSA)
Local First Arizona
Louisville Independent Business Alliance
Main Street Alliance
National Sporting Goods Association (NSGA)
North American Hardware and Paint Association (NHPA)
Portland Independent Business & Community Alliance
Running Industry Association

<sup>2</sup> See: <a href="https://judiciary.house.gov/uploadedfiles/competition">https://judiciary.house.gov/uploadedfiles/competition</a> in digital markets.pdf

<sup>&</sup>lt;sup>3</sup> See: https://judiciary.house.gov/uploadedfiles/competition in digital markets.pdf

Shop Local Raleigh/Greater Raleigh Merchants Association Spokane Independent Metro Business Alliance