

September 26, 2023

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Small Business Rising members released the following statement in response to the Federal Trade Commission (FTC) lawsuit against Amazon.

"We applaud the Federal Trade Commission for filing suit to end Amazon's monopolization of the online shopping market. No other company poses as big a threat to independent businesses and the health and dynamism of the U.S. economy. Amazon derives its dominance through classic monopoly tactics, and with this lawsuit, the FTC seeks to break Amazon's chokehold.

"For too long, policymakers watched as Amazon monopolized new markets – from online retail marketplace, retail brands, a logistics network to cloud computing. Amazon derives much of its power to bully and exploit independent businesses from the integration of various business lines and the fact that it plays multiple roles in markets. Our ecommerce ecosystem can and should be more innovative, but because of Amazon's chokehold, consumers and small businesses alike are not getting the ecommerce they deserve. Instead, we have a textbook monopoly that strong-arms brands, steals their good ideas, imposes high fees on sellers and consumers, and ultimately destabilizes small businesses until they shutter.

"Members of our coalition have advocated for policymakers to address Big Tech's growing monopoly power, including <u>urging Congress</u> to pass Big Tech legislation <u>to regulate and break up</u> Amazon's dominance in the digital marketplace.

"Today's action from the FTC is a crucial step toward creating a digital landscape where more, diverse marketplaces can grow by removing the incentive and ability for Amazon to exploit its gatekeeper status to favor its own interests and harm competition."

Signed by:

American Booksellers Association

American Independent Business Alliance

American Specialty Toy Retailing Association

Austin Local Business Alliance

Cambridge Local First

Dane Buy Local

Independent Natural Food Retailers Association (INFRA)

Institute for Local Self-Reliance

Local First Arizona



Local First, La Plata

Local Return

Louisville Independent Business Alliance

Love Live Local Inc

Lowcountry Local First

Main Street Alliance

New Atlantic Independent Booksellers Association

North American Hardware and Paint Association

North American Marine Alliance

Running Industry Association

Shop Local Raleigh

Spokane Independent Metro Business Alliance

StayLocal an initiative of Urban Conservancy

The Local Crowd Monadnock

Workplace Solutions Association

World Pet Association

Partner Statements

"The Running Industry Association fully supports any FTC action to limit Amazon's unfair practices, and looks forward to a level playing field for the independent retailers that fuel our nation's economy."

- Terry Schalow, Executive Director, Running Industry Association

"Workplace Solutions Associations is very pleased with the FTC's efforts to rein in Amazon's unfair practices on its ecommerce platform. Their master plan of being both a platform provider and competitor to their resellers is patently unfair and has ruined thousands of small businesses."

- Mike Tucker, Executive Director, Workplace Solutions Association

"The American Booksellers Association commends the FTC for filing suit against Amazon's anticompetitive practices. Independent booksellers were the first to feel the impact of Amazon's monopolistic behavior decades ago. Since then, Amazon has used similar tactics as it moved into other markets. Proponents of Amazon love to refer to their behavior as creative destruction, but in reality, it's one of simple – and planned --destruction. Its behavior has harmed communities, destroyed jobs -- and far from lowering prices, Amazon used its algorithm to increase prices on consumers. And it uses its power to bully suppliers and the expense of competition. We've long believed that the equitable and reasonable solution is to break Amazon up. We are happy to see



the FTC launch this challenge and believe it is a first step to leveling the playing field for independent bookstores."

- David Grogan, Director, ABFE, Advocacy & Public Policy, American Booksellers Association

"Main Street Alliance (MSA) and the small businesses we serve across the country applaud the Federal Trade Commission (FTC) for its legal action against Amazon's monopolistic reign. Monopoly power is a top concern for the small business owners of Main Street Alliance. Our members have felt the harmful impact of Amazon through undercutting them on the price of goods, controlling supply chains to make it hard for smaller businesses to get essential supplies, and with its dominance over cloud computing and tentacles in logistics and delivery, Amazon has the power to undermine our nation's entire small business economy.

"Furthermore, Amazon creates a ruse of supporting small businesses to draw them towards the platform, then establishes a competition moat that forces small business owners to remain with the platform to reach their customers. Amazon, on the net, badly hurts Main Street, and they must be held accountable.

"We commend the FTC for taking action against Amazon, as this is a significant step towards creating an inclusive economy for all to have a fair opportunity to achieve the American Dream." – *Chanda Causer, Executive Director, Main Street Alliance*

"Big Tech's monopolistic tendencies have had a suffocating effect on small businesses, particularly in the retail sector. In my role, representing the interests of independently owned natural food and supplement retailers, it's been disheartening to witness the loss of diversity and vibrancy in the market. It's high time to recalibrate the scales. By supporting the FTC's action to rein in Amazon, we're giving a much-needed breath of fresh air to the entrepreneurial spirit that built this country. Let's ensure that innovation and fair competition remain the hallmarks of the American economy."

- Pat Sheridan, President & CEO, Independent Natural Food Retailers Association

ABOUT SMALL BUSINESS RISING

Small Business Rising, a coalition of more than 40 organizations representing more than 300,000 independent businesses, formed in 2021 to urge policymakers to rein in monopoly power and inject fairness into a system that has long left small businesses at a competitive disadvantage. The Hill described the coalition as "playing a pivotal role in high-profile debates over antitrust...in Washington," and helping "sway lawmakers to advance legislation to break up the largest tech companies through the House Judiciary Committee."

Together, members of the coalition and small business voices have calling for Congress to stop tech monopolies, like Amazon, from cornering the online market by breaking them up and regulating them, for states to pass robust antitrust laws, and for Federal regulators to use their enforcement authorities to block dominant corporations from engaging in abusive tactics.