



January 18, 2022

Dear Senator Padilla,

On behalf of the Fremont business community and the hundreds of businesses we represent in California, we are writing to express concern about American Innovation and Choice Online Act, S.2992 (AICOA) that is scheduled for markup by the Senate Judiciary Committee on January 20th. We are extremely concerned that this bill could have far-reaching, unintended consequences to the products and services our members use to grow their businesses. While the sponsors of AICOA claim to be updating the U.S. antitrust framework for the digital age, this misguided legislation could actually harm innovation. While we agree that market competition is at the heart of America's success, this misguided effort will have the opposite effect-. If AICOA is adopted, it will kill competition on the merits, severely damage the US economy, impede digital platforms from offering US small businesses the full range of product and services to grow, and make the US economy more dependent on foreign competitors.

AICOA will have far-reaching impacts on the economy. First, AICOA will restrict the ability of small businesses to do business in the digital age. Under AICOA, small businesses would need more financial resources to operate since AICOA will limit SMBs competitiveness.

Because AICOA grants the government vast and unprecedented powers to dictate what some companies will be able to do *e.g.*, including powers to impose approval obligations before new products and services are launched., the future of America's innovation will depend on unelected bureaucrat's decisions, rather than consumer preferences.

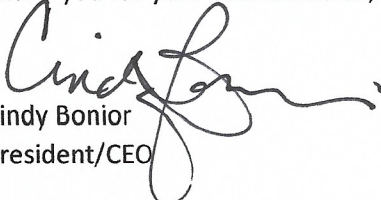
Finally, AICOA is discriminatory and only targets a handful of American companies, without the placing the same restrictions on foreign tech companies. The bill is handing adversaries like China with regulatory gift. AICOA could force U.S. small businesses could become more dependent on foreign digital platforms, especially Chinese leading tech platforms.

Given these significant concerns, we ask that you carefully on the American economy and startup ecosystem and urge you to oppose the bill at Thursday's markup. consider the negative impact that AICOA could have

Examining the use of digital platforms as a whole in the United States, the national small business survey finds that the use of digital platforms by small enterprises is ubiquitous:

- 84% of small enterprises are using at least one major digital platform to provide information to customers.
- 80% are using at least one major platform to show products and services, as well as to advertise.
- 79% are using digital tools to communicate with customers and suppliers; and
- 75% are using tech platforms for sales.

Thank you for your consideration,


Cindy Bonior
President/CEO