

September 14, 2023

President Joseph R. Biden, Jr.  
The White House  
1600 Pennsylvania Avenue, NW  
Washington, D.C. 20500

Dear President Biden,

Last year, France's Digital Minister told Politico that the European Union's Digital Markets Act (DMA) would target "around 15-20" companies, "among which will be European players."<sup>1</sup> One European company executive added, "even with the proposed increased thresholds, the DMA will be applicable to a dozen EU companies – right away or in a very short timeframe."<sup>2</sup>

Now that the EU has announced that only six firms will be regulated under the DMA - five of which are American, and none of which are European - it's clear that this claim was subterfuge. Instead, the Digital Markets Act is being used by Europe as a means to hobble U.S. companies to give their own companies an advantage.

With the new list of "gatekeepers," it is apparent that the DMA's regulatory cudgel is pointed squarely at five leading American companies that support an ecosystem of innovators and entrepreneurs, and have collectively put millions of Americans to work over the past decade.

European officials have repeatedly made clear their intent to undercut American-based companies to help grow the EU's own fledgling tech industries. With the intent of ensuring "a digital level playing field," the DMA mandates that labeled "gatekeepers" have six months to comply with a myriad of requirements that will make services less secure, less private, and less useful for consumers.<sup>3,4</sup> In the face of similar consumer, security, and content moderation concerns, Congress chose last year not to move forward with similar provisions in the American Innovation and Choice Online Act (AICOA) and Open Apps Market Act (OAMA).<sup>5</sup>

It is no accident that China has expressed support for the DMA to hobble American companies.<sup>6</sup> Under the Digital Markets Act, American innovation and global leadership on emerging technologies would take a backseat to Europe's protectionism. The targeted American firms are investing over \$60 billion annually in R&D, including in quantum computing and other emerging technologies.<sup>7</sup> Yet the DMA, with provisions shot down in the American legislative process, threatens to fine American firms up to 10% to 20% of their total revenue for failure to comply.

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<sup>1</sup> <https://twitter.com/KayJebelli/status/1699057298998763825?s=20>

<sup>2</sup> [https://twitter.com/ben\\_schroeter/status/1489216350753013760](https://twitter.com/ben_schroeter/status/1489216350753013760)

<sup>3</sup> <https://www.consilium.europa.eu/en/press/press-releases/2022/07/18/dma-council-gives-final-approval-to-new-rules-for-fair-competition-online/>

<sup>4</sup> [https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/europe-fit-digital-age/digital-markets-act-ensuring-fair-and-open-digital-markets\\_en](https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/europe-fit-digital-age/digital-markets-act-ensuring-fair-and-open-digital-markets_en)

<sup>5</sup> <https://www.project-disco.org/competition/010623-aicoas-failure-and-the-future-of-competition-policy-in-congress/>

<sup>6</sup> <https://www.politico.eu/sponsored-content/huawei-and-european-industry-natural-partners/>

<sup>7</sup> <https://www.bloomberg.com/opinion/articles/2018-04-05/amazon-s-technology-and-content-spending-a-huge-gift-to-economy>

We appreciate your often-stated commitment to the U.S. to maintain its leadership in developing artificial intelligence, as well as our national security leadership. We value your Administration's commitment to privacy and cybersecurity,<sup>8</sup> which is threatened by the Digital Markets Act. And we welcome all efforts by the Administration to stand up a stronger vision of American and global technology leadership that creates more jobs for American workers and counters foreign autocrats. Unfortunately, the Digital Markets Act's targeting of U.S. firms would be a major setback for these efforts.

Were the situation reversed, European leaders would never accept any U.S. regulation that singled out European firms in order to support the growth of American competitors<sup>9</sup>. We ask you to **stand up for the 8 million American digital economy workers against these protectionist policies**<sup>10</sup>, and demand an end to Europe's discriminatory regulation.

Sincerely,

**Bruce Gustafson**  
CEO  
Developers Alliance

**Linda Moore**  
President and CEO  
TechNet

**Adam Kovacevich**  
CEO  
Chamber of Progress

**Matthew Schruers**  
President  
Computer & Communications Industry Association

**Christopher Mohr**  
President  
SIIA

**Gary Shapiro**  
President and CEO  
Consumer Technology Association

**Carl Szabo**  
Vice President and General Counsel  
NetChoice

cc:

Commerce Secretary Gina Raimondo  
U.S. Trade Representative Katherine Tai

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<sup>8</sup> <https://9to5mac.com/2023/02/27/top-us-cybersecurity-apple-two-factor-praise/>

<sup>9</sup> For example, EU governments have openly expressed their misgivings about the Inflation Reduction Act, which did not even target any of their companies.

<sup>10</sup> <https://www.bea.gov/system/files/2022-11/new-and-revised-statistics-of-the-us-digital-economy-2005-2021.pdf>