

Congress of the United States
Washington, DC 20515

September 18, 2009

Christine A. Varney
Assistant Attorney General
Department of Justice, Antitrust Division
950 Pennsylvania Avenue, N.W.
Washington, DC 20530

Dear Assistant Attorney General Varney:

We are increasingly concerned about developments in international competition policy, how the European Commission (EC) is shaping the global competitive environment, and the impact these developments are having on American companies.

As you know, the EC ruled last month that Intel Corporation violated its competition law, but failed to cite evidence of actual consumer harm in its ruling. That ruling is the latest evidence of a troublesome trend in Europe toward regulatory protectionism. Other successful U.S. technology companies – such as Microsoft, Qualcomm, Google, and IBM – have either faced significant fines, are under investigation, or reportedly are being scrutinized by the Directorate General of Competition (DG Comp) as a consequence of their successes.

The EC decision against Intel ignores the reality of a highly competitive marketplace. Over the last decade, prices for microprocessors have fallen faster than any of the 1,200 products tracked by the Bureau of Labor Statistics. The significant decrease in prices, together with the unprecedented increase in quality, speed, functionality and choice of microprocessors, reflects that market's robust health.

In *Microsoft v. Commission*, the European Commissioner for Competition indicated that the way to protect the market is to witness a significant drop in the high market shares of dominant companies to more easily enable potential competitors to enter the markets at issue. In contrast, you repeatedly noted in your remarks on May 12th that, as the division increases antitrust scrutiny, the protection of consumer welfare will remain the fundamental goal. Specifically, you reiterated the role of rigorous economic analysis to ensure the American consumer's access to the best products at the lowest prices.

With so many of the world's successful technology companies based in the United States and very few located in the European Union or elsewhere, the Administration should be an advocate of the "American way" both at home and in foreign jurisdictions. Otherwise, DG Comp will become the de facto super regulator in competition matters, and its approach in managing competition will shape commerce worldwide. Indeed, DG Comp already is spending millions of Euros exporting its competition policy to emerging markets like China.

We appreciate your thoughtful consideration of these points and urge you to ensure that any increased antitrust scrutiny in the U.S. and elsewhere does not impede innovation, competitiveness, and our nation's economic leadership.

Best regards,



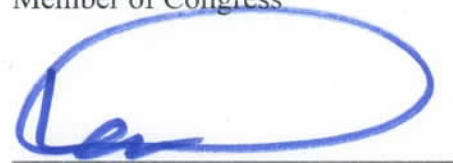
Earl Blumenauer
Member of Congress



Greg Walden
Member of Congress



Harry Teague
Member of Congress



David Wu
Member of Congress



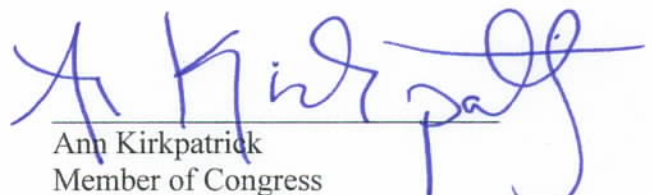
Rush Holt
Member of Congress



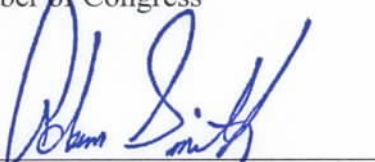
Bart Gordon
Member of Congress



Jeff Flake
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Ann Kirkpatrick
Member of Congress



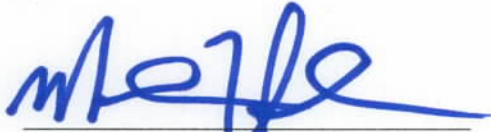
Adam Smith
Member of Congress



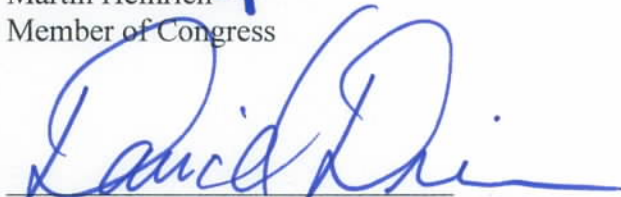
Ron Kind
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Jim Matheson
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Kurt Schrader
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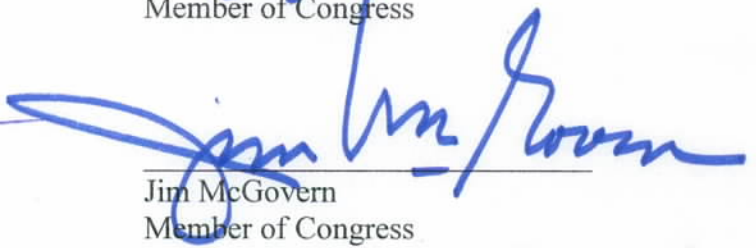

Martin Heinrich
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John Shadegg
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David Dreier
Member of Congress

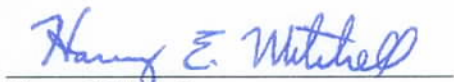

Gabrielle Giffords
Member of Congress

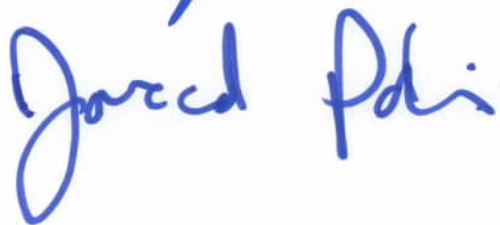

Betsy Markey
Member of Congress


Jim McGovern
Member of Congress


Trent Franks
Member of Congress


Roy Blunt
Member of Congress


Harry Mitchell
Member of Congress



Cc: Commissioner Pamela Jones Harbour
Commissioner William E. Kovacic
Commissioner J. Thomas Rosch

Congress of the United States
Washington, DC 20515

September 18, 2009

Jonathan D. Leibowitz
Office of the Chairman
The Federal Trade Commission
600 Pennsylvania Avenue, N.W.
Washington, DC 20580

Dear Chairman Leibowitz:

We are increasingly concerned about developments in international competition policy, how the European Commission (EC) is shaping the global competitive environment, and the impact these developments are having on American companies.

As you know, the EC ruled last month that Intel Corporation violated its competition law, but failed to cite evidence of actual consumer harm in its ruling. That ruling is the latest evidence of a troublesome trend in Europe toward regulatory protectionism. Other successful U.S. technology companies – such as Microsoft, Qualcomm, Google, and IBM – have either faced significant fines, are under investigation, or reportedly are being scrutinized by the Directorate General of Competition (DG Comp) as a consequence of their successes.


The EC decision against Intel ignores the reality of a highly competitive marketplace. Over the last decade, prices for microprocessors have fallen faster than any of the 1,200 products tracked by the Bureau of Labor Statistics. The significant decrease in prices, together with the unprecedented increase in quality, speed, functionality and choice of microprocessors, reflects that market's robust health.


In *Microsoft v. Commission*, the European Commissioner for Competition indicated that the way to protect the market is to witness a significant drop in the high market shares of dominant companies to more easily enable potential competitors to enter the markets at issue. In contrast, you have noted that the Federal Trade Commission should not go after companies simply because they are dominant. As the Federal Trade Commission increases antitrust scrutiny, we hope that the protection of consumer welfare will remain the fundamental goal and that rigorous economic analysis is applied to ensure that the American consumer can access the best products at the lowest prices.

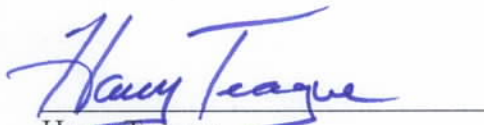
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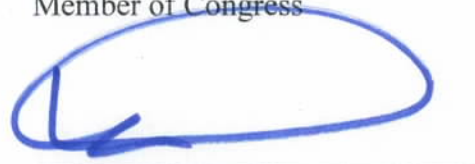
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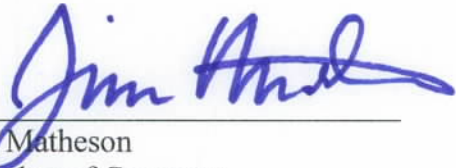

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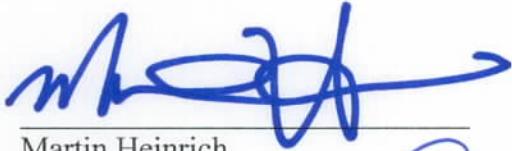

Ron Kind
Member of Congress



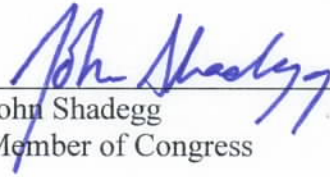
Jim Matheson
Member of Congress



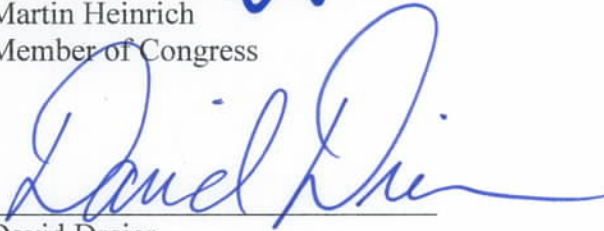
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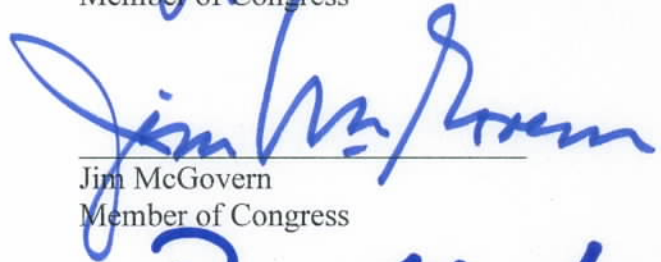
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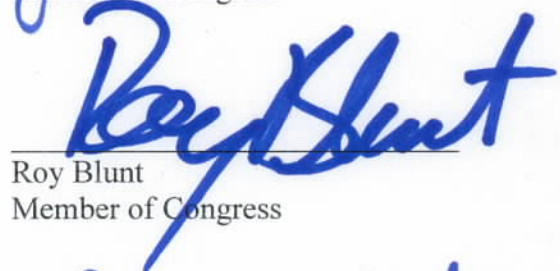
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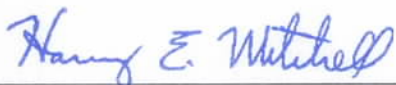
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