

November 15, 2011

The Honorable Lamar Smith Chairman Committee on the Judiciary U.S. House of Representatives 2409 Rayburn House Office Building Washington, D.C. 20515 The Honorable John Conyers Ranking Member Committee on the Judiciary U.S. House of Representatives 2426 Rayburn House Office Building Washington, D.C. 20515

Dear Chairman Smith and Ranking Member Conyers,

We write to express our concerns with H.R. 3261, the *Stop Online Piracy Act* (SOPA). While combating online copyright infringement is a goal we all strongly support, if enacted as currently written, this legislation would cause substantial harm to the innovation and economic opportunities created by the Internet.

The Internet continues to be a revolutionary tool, advancing technological innovation, disseminating artistic expression, and supporting millions of jobs across the country. In fact, a recent McKinsey report concluded that 15 percent of U.S. GDP growth from 2004 through 2009 came from the Internet industry.

You've previously stated that this legislation is intended to target "rogue" foreign websites engaging in copyright infringement. While this is a laudable goal and one we support, the SOPA's overly broad language, in its current form, would target legitimate domestic websites, creating significant uncertainty for those in the technology and venture capital industries.

As you know, the Digital Millennium Copyright Act, signed into law in 1998, already includes a notice-and-takedown process for both foreign and domestic infringing content. Additionally, a carefully crafted safe harbor protection has enabled countless Silicon Valley successes like Facebook, Twitter, YouTube and Google. The SOPA overturns this basic protection through broad, vague new standards of liability. The result will be an explosion of innovation-killing lawsuits and litigation.

The impact on new businesses and startups, particularly small businesses, will be far more detrimental. For example, venture capitalists will be hesitant to invest in new Internet-based businesses if they fear their money will be tied up in litigation. As prominent Silicon Valley investor Derek Parham explains,

What used to be two guys in a garage coming up with an idea and starting a company is now going to be two guys in a garage with four lawyers behind them — and that's not how the Valley really got started. People shouldn't be fearful of getting sued out of oblivion when they go create a new idea.

At a time of continued economic uncertainty, this legislation will result in fewer new businesses, fewer new investments, and fewer new jobs. "Rogue websites" are no doubt a serious problem and we fully support targeted measures to shut them down. Like you, we understand the importance of combating piracy to protect the intellectual property of the American entertainment industry from copyright infringement in other parts of the world. We believe this is a serious problem that needs to be addressed. The SOPA as written, however, is overly broad and would cause serious and long term damage to the technology industry, one of the few bright spots in our economy.

We hope you will work with the technology community to find narrow and targeted remedies against online infringers. We also stand ready to work with you and your colleagues to find a solution that protects innovation, while combating against truly "rogue" websites. Thank you in advance for your consideration of our views.

Sincerely,

Member of Congress

Member of Congress

Poris O. Matsui Member of Congress

<u>Members</u>

Rep. Anna G. Eshoo Rep. Zoe Lofgren

Rep. Jared Polis Rep. Ron Paul

Rep. Mike Doyle Rep. Lloyd Doggett

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