

June 13, 2025

The Honorable Scott Bessent
Secretary of the Treasury
U.S. Department of the Treasury
1500 Pennsylvania Avenue, Northwest
Washington District of Columbia 20220

The Honorable Howard Lutnick
Secretary of Commerce
U.S. Department of Commerce
1401 Constitution Ave Northwest
Washington, District of Columbia 20230

The Honorable Jamieson Greer
Ambassador
Office of the U.S. Trade Representative
600 17th Street, Northwest
Washington, District of Columbia 20508

RE: The Imperative for Supporting American Small Business Innovators in Ongoing U.S. Bilateral Trade Agreement Negotiations

Dear Secretary Bessent, Secretary Lutnick, and Ambassador Greer:

ACT | The App Association appreciates the Administration's efforts to empower U.S. small business technology innovators by facilitating their access to international markets and supporting their ability to compete. We appreciate the Administration making the protection of small business a top priority across its negotiations with U.S. trading partners. To support your efforts, we highlight key non-tariff barriers that should be addressed during these negotiations.

The App Association represents small business application developers and connected device companies located both in the United States and around the globe. These companies drive the global app economy worth [more than \\$6.3 trillion globally](#) and are responsible for [approximately 6.1 million jobs across the United States](#). App Association members leverage the connectivity of smart devices to create innovative solutions across consumer and enterprise markets that introduce new efficiencies across consumer and enterprise use cases, and rely on a predictable and fair approach to digital economy regulation to succeed and create new jobs.

A key feature of the digital economy that has enabled our community's unprecedented growth and job creation, and broader economic leadership, is the rise of curated online marketplaces (COMs) that enable small business developers to fairly and securely access broader markets at lower costs and with greater efficiency. We share President Trump's concerns with discriminatory digital platform regulations in other countries, including the European Union's Digital Markets Acts (DMA),¹ which has now been in effect for over one year without a single demonstrable benefit for smaller innovators to date. Unfortunately, trading partners beyond the EU have since either

¹ <https://www.whitehouse.gov/fact-sheets/2025/02/fact-sheet-president-donald-j-trump-issues-directive-to-prevent-the-unfair-exploitation-of-american-innovation/>.

proposed or put into place similar laws. This is a growing global trend that warrants careful consideration and engagement in trade negotiations.

The Administration has made its opposition clear with respect to digital platform regulations that target gatekeepers, the definition of which applies almost exclusively to U.S. companies, by restricting their operations and effectively prohibiting those U.S. companies from engaging in normal and beneficial business practices on their platforms. We write to you to highlight the leading example of just such a regulation and growing negative impacts on the American digital economy small business community.

While the DMA and similar proposals purport to foster innovation and curb anti-competitive behaviors, in practice, these interventionist frameworks target American companies. They fail to account for the pro-competitive benefits of platform-driven innovation and ultimately risk undermining consumer welfare in fast-evolving digital marketplaces, raising costs and reducing operational flexibility for platforms. Those costs are being passed on to the App Association's small business innovator members both in the United States and globally, who also find the key utilities they rely on in COMs, such as vetting for data stewardship and privacy, cybersecurity risk mitigation, intellectual property dispute resolution, and disability access functionality support, among others, either greatly reduced in their effectiveness or eventually eliminated entirely.

With the deadline to finalize new trade agreements with multiple countries approaching, we urge you to prioritize the protection of small business developer innovation by supporting access and innovation in new and emerging technology markets, such as digital platforms, through clear commitments to harms-based regulation, non-discrimination, transparency, and adequate notice and consultation. It is vital that U.S. negotiators advocate for equitable treatment and market access for U.S digital services that our small business community relies on. Achieving these commitments will turn the tide against the application of regulations abroad that harm American companies of all sizes, and further cement the pro-growth digital environment the Administration has emphasized.

Thank you for your consideration of this matter and your continued support of strong trade policies that bolster the success of American small business innovators. We welcome the opportunity to meet with you to elaborate on our views and to identify further ways we can support your mission.

Sincerely,

A handwritten signature in black ink that reads "Morgan Reed". The signature is fluid and cursive, with the first name "Morgan" and last name "Reed" clearly distinguishable.

Morgan Reed
President

ACT | The App Association
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