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Chairman Lamar Smith
House Committee on Judiciary
2426 Rayburn House Office Building
Washington DC 20515

Ranking Member John Conyers
House Committee on Judiciary
2426 Rayburn House Office Building
Washington DC 20515

Dear Chairman Smith and Ranking Member Conyers:

Thank you for your continued leadership on issues affecting the innovation economy. Your commitment to promoting a strong American economy is greatly appreciated, and TechNet, the policy and political network of CEOs that promotes the growth of technology and the innovation economy, is eager to help you achieve these important goals.

We are writing to express our views about H.R. 3261, the "Stop Online Piracy Act" or SOPA. As an association whose companies collectively touch nearly the entire broadband ecosystem, TechNet is sensitive to the need to stop piracy of online content. The robust flow of digital content for lawful uses is at the core of what makes the internet so important to our economy and society. When the creators of this content are not compensated because their work is stolen, this undermines key features of the internet – the rich store of digital products and commercially relevant information that creates value for consumers and jobs for innovators.

Although H.R. 3261 takes aim at the problem of online piracy, its regulatory approach does so in such a way that could threaten many features that make the internet function well and which allow users to access, create, share, and pay for online content. We have a range of concerns about how SOPA's approach may impact the internet. For example, it may undermine the security of the internet by imposing heavy-handed technology mandates that are also likely to undermine innovation. Additionally, SOPA would inhibit businesses that rely on and facilitate online advertising, as well as those which process payments in electronic commerce.

More specifically, we have concerns about the following provisions:

- The proposal creates a new "private right of action" against lawful U.S. companies. SOPA allows copyright and trademark owners to take action against law-abiding payment processors and advertising companies to compel them to take action against activity on the basis of bare allegations.

- SOPA may subject U.S. internet companies and financial firms to technology mandates, as courts may require companies to take certain actions based on lawsuits brought about by the new private right of action.
- The proposal exposes lawful U.S. firms to significant commercial harm without due process, as firms may have strong incentives under SOPA to stop doing business with sites that are targeted by unproven allegations before due process has played out to prove infringing activity.
- The proposed legislation creates new statutory standards of infringement, which could expose existing and start-up firms in areas such as social media and cloud computing to new litigation and liabilities.
- SOPA undermines efforts to keep cyberspace secure by requiring technological approaches to block access to sites engaging in unlawful acts that facilitate piracy. Illegal sites registered in the U.S. would be blocked under SOPA, but this would encourage such sites to locate overseas – where our nation’s recent efforts to improve web security do not apply. The end result is a proliferation of less secure websites registered abroad – sites that facilitate piracy out of reach of U.S. law enforcement.

SOPA also strikes at the heart of the Digital Millennium Copyright Act (DMCA), a 1998 law that established a structure for the enforcement of copyright on the Internet, while establishing a "safe harbor" from infringement liability for internet service providers that act in accordance with the Act's requirements, including through a "notice and take down" process for removing content that infringes copyright.

TechNet members remain committed to fighting online piracy. We feel that the DMCA has established a solid framework for that and additional measures to address the problem should not undermine that valuable foundation. We are concerned that the framework proposed by SOPA threatens to inhibit innovation in the broadband ecosystem, impose burdensome regulatory requirements on the tech sector, while not effectively tackling the problem of online piracy. We look forward to future dialogue with you on this issue.

Best Regards,



Rey Ramsey

President and CEO