



NEW YORK STATE SENATOR

Michael Gianaris

## New Study Shows Monopolies Are Top Concern Of Small Business; Senate Deputy Leader Gianaris Urges More Support For His 21st Century Antitrust Act

MICHAEL GIANARIS March 30, 2022

| ISSUE: **MONOPOLIES, COMPETITION, BIG TECH, 21ST CENTURY ANTITRUST ACT, ANTITRUST**



NEW YORK – Senate Deputy Leader Michael Gianaris is pushing for changes to New York’s antiquated antitrust laws and a new survey by the Institute for Local Self-Reliance (ILSR) demonstrates small businesses are in need of this type of reform. According to their report, over 60% of small businesses said large competitors like Amazon, who can afford to sell goods below cost, pose a serious threat to their operations.

“Our antitrust laws were written a century ago for a radically different economy and they are in desperate need of reform,” said **Senate Deputy Leader Michael Gianaris**. “Corporate power has reached unprecedented and dangerous levels, and we need powerful new laws to protect the public and our economy. This survey shows our small businesses need meaningful reform, like my 21st Century Antitrust Act, and I will keep fighting to get it done.”

### **About the 21<sup>st</sup> Century Antitrust Act**

The 21<sup>st</sup> Century Antitrust Act would mark a significant change to New York’s antitrust laws for the first time in over 100 years. Under current state law, antitrust laws require two parties to conspire to manipulate the economy before enforcement actions can occur. In the current economy, however, major commercial players (particularly Big Tech) successfully manipulate the market unilaterally – by exerting dominance. Examples include manipulating search results to favor their own products and punish competitors as well as undercutting competitors’ prices at a loss to drive them out of business or pressure them to sell to the larger companies. Senator Gianaris’ legislation would allow the state to take action against these players and would create an “abuse of dominance” standard to empower regulators to bring enforcement actions more successfully.

### **About the Institute for Local Self-Reliance Survey**

ILSR’s [2022 Independent Business Survey](#) of over 900 small businesses found that market concentration and monopolistic practices by big companies are at the root of the most significant challenges faced by America’s independent businesses. Survey respondents were located across the country and represented a wide range of sectors, including retailers, service providers, manufacturers, farms, banks, restaurants, and more. When asked about the challenges they face, topping the list were three issues that all have to do with the unchecked exercise of market power by dominant corporations. Nearly two-thirds of respondents rated as a major challenge the fact that their big competitors receive special

discounts and terms from suppliers. By strong-arming suppliers, dominant corporations can tilt the playing field and compel suppliers to raise prices to independent businesses. 62 percent of businesses said Amazon's control over the online market was a very or extremely significant challenge. More than half of businesses reported that a major challenge is that their big competitors sell goods and services below cost, which is a predatory tactic well-heeled corporations can use to take market share from small rivals without having to compete for it.

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#### RELATED LEGISLATION

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### 2021-S933A

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- Introduced
- - In Committee Assembly
  - In Committee Senate
- - On Floor Calendar Assembly
  - On Floor Calendar Senate
- - Passed Assembly
  - Passed Senate
- Delivered to Governor
- Signed By Governor

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Relates to actions or practices that establish or maintain a monopoly, monopsony or restraint of trade, and authorizes a class action lawsuit in the state anti-trust law

January 05, 2021

In Assembly Committee

Sponsored by Michael Gianaris

Do you support this bill?