AMY KLOBUCHAR MINNESOTA

COMMITTEES: AGRICULTURE, NUTRITION, AND FORESTRY COMMERCE, SCIENCE, AND TRANSPORTATION JOINT ECONOMIC COMMITTEE JUDICIARY RULES AND ADMINISTRATION



June 22, 2021

Sundar Pichai CEO Alphabet Inc. 1600 Amphitheatre Parkway Mountain View, CA 94043

Jeff Bezos CEO Amazon.com Inc. 410 Terry Ave. North Seattle, WA 98109-5210

Dear Mr. Pichai and Mr. Bezos:

I am deeply concerned about competition and the future of innovation related to connected home devices. As you know, the Senate Subcommittee on Competition Policy, Antitrust, and Consumer Rights recently held a hearing entitled "Protecting Innovation and Consumer Choice in Home Technologies," at which witnesses from both of your companies testified. At the hearing, the Subcommittee examined the power that Amazon and Google are amassing in connected home technology through control of digital voice assistants and embedded connected speakers. The hearing testimony raised profound concerns about the ways your companies may use that power to suppress competition in the emerging connected home technology industry as well as your access to and use of highly sensitive personal information.

More than 94 million Americans already have connected speakers. And we are just at the beginning; these connected home technologies will continue to develop and expand beyond lighting and thermostats to appliances like connected refrigerators and washing machines. In the years to come, they will play an even larger role in our everyday lives.

Witnesses from your companies testified about the value of interoperability and relayed that you want to encourage more device makers to build products that work with Alexa and the Google Assistant in the home. But when asked them to make commitments about interoperability, their answers did not contain any specifics.

The hearing also addressed data collection and use issues. Connected home devices collect, store, and use data in ways that were unimaginable in the past. In addition to the data privacy issues

that such devices raise, we are also concerned that you may use access to that data to reinforce your already strong position with digital voice assistants as well as your advertising business. Your corporate witnesses testified that you value consumer privacy, but I need more details about how your companies use sensitive data collected through connected home devices and digital voice assistants.

The Subcommittee also heard testimony that your companies may have sold speakers at belowcost prices as a way to secure a stronghold in the connected home of the future. Your witnesses provided general answers but did not provide details.

I therefore ask that you provide written answers to the following questions by July 2, 2021:

- 1. Last month, your companies both announced a commitment to an interoperability standard called "Matter." Which of your existing connected home products will support third party devices that adhere to the Matter specification? Do you currently sell any connected home products, or have any in your development pipeline, that will not be Matter-compliant? For what period of time do you commit to support the Matter interoperability project, and who at your companies is responsible for determining whether to extend the length of your commitment to Matter?
- 2. What data do your digital voice assistants collect from connected home devices? Is that data used in any aspect of your advertising businesses? How long do you retain the data that your digital voice assistants collect? Do you combine data from digital voice assistants with data about people that you collect from other sources?
- 3. Have you ever sold connected speakers at below-cost prices? Are you aware of any connected speaker device being sold at a price below cost, regardless of manufacturer? Which of the connected speakers that you sell are profitable, and which are not?

Connected home devices will only become more popular and varied in the coming years. Continued American innovation and leadership in this emerging sector require open, competitive markets. I look forward to your prompt responses.

Sincerely,

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Any Klobuchar United States Senator