U.S. House of Representatives Committee on the Judiciary

Washington, DC 20515-6216
One Hundred Sixteenth Congress

July 8, 2020

Mr. John Matze Chief Executive Officer Parler, LLC 209 South Stephanie Street, B135 Henderson, NV 89012

Dear Mr. Matze:

Since its founding in 2018, Parler has amassed approximately 1.5 million users, with a significant portion of those users joining in recent days as Parler has gained widespread awareness among the American public. Parler advertises itself as an alternative to social networks, such as Twitter, that aggressively—and discriminatorily—censor their users' speech. While Parler does have rules and policies concerning the use of its platform by users, you have said that Parler is "a public square" that does not "censor or editorialize" and that "only . . . weed[s] out . . . pornography, threats of violence against someone, and obscene material."

Congress is currently examining the size, competitiveness, and role of social media companies in our society through the lens of antitrust law, which is rightfully restricted to analyzing the welfare of consumers relative to price and market dynamics.⁴ Because social media platforms generally offer their services to users for free, companies compete on matters other than price, such as quality and other features.⁵

Parler appears to be competing with other social media companies in precisely this manner. Because the social media market is filled predominantly with companies that offer their services to users for free, Parler is generally unable to offer a lower price to users than its

¹ See, e.g. Brian Flood, Parler CEO John Matze provides Twitter Alternative: 'People are sick of cancel culture, constant judgment', FOX NEWS (Jul. 2, 2020), https://www.foxnews.com/media/parler-ceo-john-matze-provides-twitter-alternative-people-are-sick-of-cancel-culture-constant-judgement; see also Ari Levy, Trump fans are flocking to the social media app Parler—its CEO is begging liberals to join them, CNBC (Jun. 28, 2020), https://www.cnbc.com/2020/06/27/parler-ceo-wants-liberal-to-join-the-pro-trump-crowd-on-the-app.html.

² See, e.g., About Us, PARLER, https://home.parler.com/about/ (stating that "Parler is a non-biased free speech driven entity" that "accepts your right to express your thoughts, opinions, and ideals online.").

³ Community Guidelines, PARLER, https://legal.parler.com/documents/guidelines.pdf; Flood, supra note 1.

⁴ See, e.g., Press Release, House Committee on the Judiciary, House Judiciary Committee Launches Bipartisan Investigation into Competition in Digital Markets (Jun. 3, 2019), https://judiciary.house.gov/news/documentsingle.aspx?DocumentID=2051.

⁵ See, e.g., Makan Delrahim, Assistant Attorney General for the Antitrust Division, Dep't of Justice, Keynote Address at the University of Colorado Law School Silicon Flatirons Annual Technology Policy Conference: "I'm Free": Platforms and Antitrust Enforcement in the Zero-Price Economy (Feb. 11, 2019) ("Firms in zero-price markets often compete on quality and innovation, which can benefit consumers.").

Mr. John Matze July 8, 2020 Page 2

competitors. Therefore, Parler differentiates itself on the quality and features of its platform—namely, its commitment to not "censor or editorialize, share or sell user data." This commitment positions Parler in stark contrast to Twitter, which has made increasingly clear in recent weeks and months that only users who refrain from expressing certain unfavored political beliefs are welcome to fully participate on its platform. In turn, Parler's commitment to free expression takes the place of price as an incentive driving consumer behavior.

As the Committee continues to evaluate the size, competitiveness, and role of social media companies in our society, the perspective of Parler would significantly inform and advance the Committee's work. At a time and in a medium that are mutually convenient, we ask that you arrange to provide the Committee with Parler's views on the value it offers to consumers, its competitive practices, and how it views the state of competition in social media.

If you have any questions regarding this request, please contact Committee staff at (202) 225-6906. Thank you for your attention to this matter.

Sincerely,

Jim Jordan

Ranking Member

F. James Sensenbrenner, Jr.

Ranking Member

Subcommittee on Antitrust,

Commercial and Administrative Law

cc: The Honorable Jerrold L. Nadler, Chairman

The Honorable David N. Cicilline, Chairman, Subcommittee on Antitrust, Commercial and Administrative Law

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⁶ Flood, *supra* note 1.