

Setting the Record Straight on OAMA

Lawmakers on both sides of the aisle support measures that increase competition and consumer choice and protect Americans' privacy and sensitive data online. However, some members of Congress have expressed their support for app store regulations, like the Open App Markets Act (OAMA), that run counter to those goals.

While proponents of OAMA claim the bill would benefit consumers and increase competition, the truth is that app store regulations undercut bipartisan privacy and cybersecurity goals and would *reduce* competition and consumer choice.

Here's the real impact of OAMA:

Myth: OAMA would improve consumers' app store experience.

Fact: OAMA would get rid of privacy and security measures that consumers and businesses value and rely on.

App stores currently have the <u>ability</u> to vet apps for privacy and security concerns, and they can remove apps that present a risk to users. Those measures mean that trusted app stores can place limits on how much user data can be collected and used for tracking by third-party apps.

Additionally, the app store vetting process ensures apps available to consumers meet rigorous safety standards, such as preventing app developers from evading operating system security protections. OAMA, would <u>mandate</u> the removal of the same privacy and security tools American companies have put in place to ensure that vulnerable third-party apps are not offered to users, features that consumers prefer.

Myth: Consumers would have more choices if Congress passes OAMA.

Fact: Right now, consumers can choose which app store ecosystem they want to participate in. OAMA would take that choice away by making all app stores the same.

App store regulations like OAMA run counter to the idea of consumer choice. Currently, consumers can choose to participate in app markets that provide users with different experiences. These different experiences encourage companies to innovate and provide consumers with better app store experiences. Consumers and businesses have the option, and



often choose to, switch to their preferred app store. Consumers wouldn't have those choices if Congress passed OAMA.

Myth: App developers would benefit from OAMA.

Fact: OAMA would fundamentally change the current app market landscape, harming small developers and consumers to financially benefit the largest app developers

App stores are incentivized to support developers, including those that compete with the companies providing the app stores, as innovation attracts customers, and app stores' support for developers has helped innovative small app developers thrive. However, OAMA includes provisions that would enrich the largest app creators while shifting costs to smaller developers, the vast majority of whom do not pay any commissions. In the process, the bill would expose customers to malware and other cybersecurity risks, get rid of privacy protections that consumers love, and undermine the trust consumers place in app stores.

Myth: OAMA would increase app store competition.

Fact: App store regulations would only benefit large app developers, leaving small app creators behind.

The current app store ecosystem is built to help small app developers grow and compete. While some proponents of app store regulations like OAMA claim that app store commissions hurt small app creators, the fact is that only a handful of large app developers, and over 90% of app developers are not charged a commission by the app ecosystems they operate in. That's one reason small app developers are thriving, with reports estimating smaller creators increased their revenue by 71% between 2020 and 2022.