

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

CHRISTEL SLAUGHTER, PhD, CHAIR
SMALL BUSINESS COUNCIL

TOM SULLIVAN, EXECUTIVE DIRECTOR
SMALL BUSINESS COUNCIL

September 24, 2019

The Honorable Tim Scott
Co-Chair
Senate Entrepreneurship Caucus
United States Senate
Washington, DC 20510

The Honorable Amy Klobuchar
Co-Chair
Senate Entrepreneurship Caucus
United States Senate
Washington, DC 20510

Re: Enhancing Entrepreneurship for the 21st Century Act

Dear Senator Scott and Senator Klobuchar:

The U.S. Chamber of Commerce supports the Enhancing Entrepreneurship for the 21st Century Act, which is intended to reverse the decline in entrepreneurship.

I am Christel Slaughter, Ph.D., CEO of SSA Consultants based in Baton Rouge, Louisiana and the Chair of the U.S. Chamber of Commerce's Small Business Council. 96% of Chamber member companies have fewer than 100 employees and 75% have fewer than ten. The Small Business Council works to ensure the views of small business are considered as part of the Chamber's policy-making process.

Decline in Entrepreneurship

The decline of entrepreneurship in the United States has been on the Chamber's radar since Robert Litan and Ian Hathaway published their findings on business dynamism for the Brookings Institution in 2014.¹ The following year, the Ewing Marion Kauffman Foundation put a finer point on the trend by documenting a 26% decline in new business formation since a peak in 2006.² Those data justifiably prompted a serious dialogue on policy prescriptions that could spur new business creation and we applaud the establishment of the Entrepreneurship Caucus to re-ignite those discussions.

Challenges Unique to New Startups

¹ Robert E. Litan and Ian Hathaway, "Declining Business Dynamism in the United States: A Look at States and Metros," Brookings Institution (May 5, 2014), available at: <https://www.brookings.edu/research/declining-business-dynamism-in-the-united-states-a-look-at-states-and-metros/>

² "State of Entrepreneurship 2015 Address," Ewing Marion Kauffman Foundation (February 11, 2015), available at: https://www.kauffman.org/~media/kauffman_org/resources/2015/soe/2015_state_of_entrepreneurs_hip_address.pdf

The Enhancing Entrepreneurship for the 21st Century Act recognizes that policies developed in 2015 may not necessarily address challenges faced by today's entrepreneurs. Joanne Sanders, President of EWISE Communications and General Manager of Digital Ignition, is one of our Small Business Council members and is an expert on this topic.³

Digital Ignition is a leading incubator in North Georgia and Joanne Sanders works with dozens of entrepreneurs every day. In her experience, startups face challenges surrounding intellectual property protection, cybersecurity vulnerabilities, alternative finance limitations, federal procurement concerns, and workforce issues. Many of these companies do not feel that local, state, and federal officials are knowledgeable of emerging technologies and their critical importance for today's economy.

Enhancing Entrepreneurship for the 21st Century Act

The Enhancing Entrepreneurship for the 21st Century Act would task the U.S. Department of Commerce, the Office of Advocacy at the U.S. Small Business Administration, and other federal researchers with accumulating the latest data and advising Congress' work within 12 months.

We share your optimism that a comprehensive federal study on the startup slump would inform Congress, the Administration, and stakeholders in the business community. Undoubtedly, the policy dialogue informed by such a report would better address the unique needs of entrepreneurs like those businesses at Digital Ignition and at other start-ups throughout the country.

We look forward to working with you on highlighting the benefits of the Enhancing Entrepreneurship for the 21st Century Act and working with your colleagues in the Senate to ensure its passage.

If you have any questions, please do not hesitate to contact the head of our Small Business Council, Tom Sullivan, at tsullivan@uschamber.com.

Sincerely,



Christel Slaughter, PhD
CEO
SSA Consultants

cc: Members of the Senate Entrepreneurship Caucus

³ <https://digitalignition.com>.