



**Testimony to the United States House of Representatives
U.S. House Committee on Small Business
Hearing: “Under the Microscope - Examining the Censorship-Industrial Complex
and its Impact on American Small Businesses”**

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Mr. Chairman, Ms. Ranking Member, thank you for inviting me to appear today.

My name is Carrie Sheffield, and I am a senior policy analyst at the Center for Economic Opportunity at Independent Women's Forum. We are a nonprofit organization committed to increasing the number of women who value free markets and personal liberty. We advance policies that enhance people's freedom, opportunities, and well-being.

Prior to my current role, I founded Bold TV, which I ran from 2015 until 2019. Bold TV is a digital news media network featuring newsmakers across politics, business, and lifestyle news. It was structured as a small, for-profit business until I departed in 2019 and the business assets were acquired by an educational non-profit.

During my tenure, Bold TV's work was recognized in profiles of the company by The Wall Street Journal, Forbes, Entrepreneur Magazine, Harvard University Kennedy School alumni magazine, and other national media outlets. Bold TV video content and interviews were featured in media outlets ranging from Fox News primetime to ABC's "The View," CNN, MSNBC, Washington Post, Newsweek, The New York Times, and many others.

At Bold TV, we utilized tools from Facebook Live, Instagram, Twitter, Amazon Fire, Apple News, YouTube, and other tech and content distribution partners to grow our audience. Just prior to my departure, our viewership was approximately 30-70K views on each Bold TV program via social media, with approximately 10.16 million organic impressions for the first six months of 2019.

Ad Exchange Background

In addition to monetization tools on social media, our Bold TV team also maintained a website that used a private marketplace ad exchange network for revenue. An ad exchange is a technology used in programmatic advertising that facilitates the buying and selling of digital inventory using real-time bidding.

Open ad exchanges are available to virtually all sellers and buyers, including ad networks and advertisers. Private marketplaces or private ad exchanges are

invite-only where premium sellers and buyers bid on advertising space through a private auction.

I am also an author, with my first book, “Motorhome Prophecies: A Journey of Healing and Forgiveness,” published this year on March 12 by Hachette Book Group, the third largest trade and educational publisher in the world. As an author, I’m keenly aware of the importance of Amazon and various other online platforms in selling books and reaching new audiences. My publisher has utilized online advertising on various ad exchange platforms to promote my book.

Ad exchanges are the lifeblood of small businesses, both for selling their content and promoting their content to external audiences. Reputational damage to small digital media competitors through reliance on biased rating systems can be a death knell for small businesses. Cutting off access to public or private ad exchanges significantly harms content creators’ ability to earn a living, whether that’s an author or a news media outlet.

A recent **survey from the Connected Commerce Council** of more than 2,400 businesses found that for small and midsize businesses (SMBs), selling digital ads drive substantial revenue and growth. The Survey found 57% of SMB Publishers earn more than \$50,000 a year in revenue from selling digital ads, 40% of SMB Publishers say selling digital ads drives over half of their overall revenue.

The survey also found that 71% of SMB Publishers say they would not have been able to launch and sustain their business without revenue from digital advertising, and 79% of SMB Publishers say digital ads help their company compete with much larger competitors.

The Connected Commerce Council also reported 72% of Black and 65% of Hispanic-led SMB publishers agree they would not have been able to launch and sustain their business without revenue from digital advertising.

Censorship Concerns

My observations throughout my professional media experience lead me to believe that in some areas the federal government interferes with small businesses, or targets them for censorship, because of their speech.

Government interference can occur by forcing the removal or suppression of speech on social media platforms. This impacts businesses’ ability to monetize those platforms in various ways. It can also negatively impact the ability to sell products on online marketplaces, such as Amazon, Etsy or eBay.

The government can also interfere with advertising revenue and other income streams by supporting companies that attack the credibility and legitimacy of businesses. This can occur through government reliance on organizations such as the Global Disinformation Index (GDI), a media-rating website.

GDI appears to be a tool for the U.S. government to circumvent our First Amendment rights and censor American small businesses. Evidence suggests that the U.S. State Department gave taxpayer funds to the GDI which then downrated conservative media organizations, including The Daily Wire and The Federalist.

Marketplace Censorship Examples

The Federalist and the Daily Wire, in December, jointly filed the complaint with Texas Attorney General Ken Paxton and the New Civil Liberties Alliance, a nonprofit civil rights group, in the U.S. Eastern District of Texas.

According to [the New York Post reporting](#), the complaint alleges that the Biden administration has used U.S. funds to tap “fact-checking” censorship enterprises, including GDI, which have relationships with social media giants including Facebook, YouTube, and TikTok, among others, as well as deep-pocketed advertisers like Dell Technologies, ExxonMobil, and Nike.

The lawsuit claims that NewsGuard, a news and website-rating system accessible by browser extension and mobile app, and GDI are “government-promoted censorship enterprises” depriving the news sites “of advertising revenue and reducing the circulation of their reporting and speech.” The lawsuit also alleges that the Biden administration has its own censorship technologies as part of its Global Engagement Center (GEC).

Federal election data show State Department employees have favored Democrats over Republicans with their political contributions, [according to research](#) dating back to 2010 from OpenSecrets, a leading transparency group tracking money in politics. OpenSecrets reported that during the 2016 cycle, State employees gave Democrats almost eight times the amount of money they gave Republicans: \$1.36 million for Democrats, compared to about \$171,000 for Republicans. This disproportionate financial support among U.S. State Department employees in one direction could be indicative of viewpoint discrimination underlying the Department’s actions against conservative-leaning media.

In another example of marketplace censoring, Parler, a conservative-leaning, former social media network that billed itself as a free-speech alternative to Twitter, was removed by Amazon, Apple, and Google from providing services to the public. It was forced to shutter its doors in 2021 and its business assets were sold to an acquiring organization, Starboard, which said it would leverage Parler’s assets across its existing businesses as well as provide information-technology services to customers in “marginalized or even outright censored communities – even extending beyond domestic politics.”

Starboard management said the Parler acquisition provided an opportunity to “begin servicing unsupported online communities – building a home for them away from the ad-hoc regulatory hand of platforms that hate them.”

In another case of troubling demonetization, YouTube, the video platform service that is a Google subsidiary, in January 2021 banned The Epoch Times, a rising, conservative-leaning news media outlet, from earning money off its videos.

Stephen Gregory, then-publisher of The Epoch Times wrote in a **statement** to the press: "This is the latest example of big tech suppression of free speech, a step on the road to communist-style censorship."

Larry Elder, a prominent, African-American conservative filmmaker who hosts a video series for The Epoch Times, **confirmed** during a news interview with me that the demonetization hit him personally, reducing his income. While Big Tech firms claim to care for women and minorities, their actions say otherwise.

Disfavored Political Speech By Conservative Women

At Independent Women's Forum and our sister 501(c)(4) organization, Independent Women's Voice (IWW), we rely heavily on digital tools to reach our audiences online and to develop in-person events. We witnessed **Big Tech's suppression over political differences** from Eventbrite, which believes in silencing women's voices in the high-stakes national conversation on protecting female safety in sports, prisons, and battered women's shelters.

I help lead the Northern Virginia chapter of Independent Women's Network (IWN), which is a project of IWW. IWN gives women the tools to make a positive difference in our neighborhoods and country. IWN hosts more than 25 chapters nationwide and an online community of more than 35,000 members.

We create events and post content on topics like running for school board, writing an op-ed, speaking with civility in today's fractious political environment, and submitting a Freedom of Information Act request. Eventbrite banned our page "Let Women Speak Austin," organized by Michelle Evans, IWN Austin chapter leader.

Eventbrite deemed the IWN-sponsored event violated community guidelines for perpetuating hate speech. In fact, the session was created to give women the opportunity to share their opinions and lived experiences and advocate for women's rights and sex-based protections.

Eventbrite Trust & Safety notified IWN that the event violated its "Community Guidelines and Terms of Service, specifically our policy on Hateful, Dangerous, or Violent Content and Events."

Raising awareness of how **female inmates are being forced to share cells** with convicted sex offenders and sometimes raped and violently assaulted is not hateful—it's empowering.

Hearing stories of abused women who seek safety in a "women's shelter" only to be forced to share space with a biological male is not hateful—it's empowering.

Inviting survivors of sexual assault to share their concerns about being forced to undress in front of biological males is not hateful—it's empowering.

Enabling female athletes who suffer lasting physical harm, lost awards, or were passed over for scholarships when forced to **compete against biological males** to share their stories is not hateful—it's empowering.

It's disturbing that platforms like Eventbrite are smearing women, including sexual assault survivors, sharing their concerns about the loss of safe spaces as "hateful" speakers.

While IWN has no evidence that the Biden administration pressured Eventbrite to remove our event, it's worth noting two important facts. First, IWF has been vocally and visibly opposed to what we believe is the Biden administration's illegal rewrite of Title IX protections for women prohibiting sex-based discrimination in any school or any other education program that receives funding from the federal government.

Secondly, the 5th Circuit Court of Appeals blocked many federal agencies with the Biden administration from having contact with companies like Facebook, YouTube, and X (formerly Twitter) about content moderation. The court ruled that the Biden White House, health officials, and the FBI may have violated the First Amendment rights of people posting about COVID-19 and elections on social media by pressuring technology companies to suppress or remove the posts. The case is currently pending before the U.S. Supreme Court.

Conclusion

America cannot function as a healthy Republic without freedom of speech. Commercial freedom and freedom of expression go hand-in-hand, as the Supreme Court has noted for more than a century: businesses are voices for the people. For example, the 1886 Supreme Court case *Santa Clara County v. Southern Pacific Railroad Co.* held that the Fourteenth Amendment's Equal Protection Clause granted constitutional protections to corporations as well as to natural persons.

It is deeply troubling that freedom of speech is under assault online in the United States today by restricting commercial access to ad exchanges and other digital marketplaces.

I am grateful to this committee for investigating this issue and look forward to working with your team in the days ahead to ensure a robust marketplace of ideas flourishes in America.