

# US venture capitalists oppose 'rogue website' bill

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Angel investor Ron Conway attends TechCrunch Disrupt New York in May 2011. A group of top US venture capitalists has written a letter to the US Congress opposing a bill aimed at cracking down on websites selling pirated and counterfeit goods.

A group of top US venture capitalists has written a letter to the US Congress opposing a bill aimed at cracking down on websites selling pirated and counterfeit goods.

Some of the top names in [Silicon Valley](#) were among the signatories to the letter expressing concern about the Theft of Intellectual Property Act, known as the Protect IP Act or PIPA.

The bill, which has the backing of Hollywood and the music industry, would give the US authorities more tools to shutter so-called "rogue

websites" selling pirated movies, television shows and music and counterfeit goods.

In their letter to Congress, the [venture capitalists](#) said that as investors in technology companies they "agree with the goal of fostering a thriving [digital content](#) market online.

"Unfortunately, the current bill will not only fail to achieve that goal, it will stifle investment in Internet services, throttle innovation, and hurt American competitiveness," they said.

"The bill is ripe for abuse, as it allows rights-holders to require third-parties to block access to and take away revenues sources for online services, with limited oversight and due process," they said.

The US authorities have shut down dozens of websites selling [counterfeit goods](#) in recent months by seizing their [Internet domain names](#), and the venture capitalists expressed concern about the approach.



LinkedIn founder Reid Garrett Hoffman (L), shown in May 2011. A group of top US venture capitalists has written a letter to the US Congress opposing a bill aimed at cracking down on websites selling pirated and counterfeit goods.

"By requiring access to sites to be blocked by [Domain Name System](#) providers, it endangers the security and integrity of the Internet," they said.

"While we understand PIPA was originally intended to deal with 'rogue' foreign sites, we think PIPA will ultimately put American innovators and investors at a clear disadvantage in the [global economy](#)," they said.

"For one, services dedicated to infringement will simply make their sites easy to find and access in other ways, and determined users who want to find blocked content will simply shift to services outside the reach of US law.

"Second, PIPA creates a dangerous precedent and a convenient excuse for countries to engage in protectionism and censorship against US services," they said. "These countries will point to PIPA as precedent for taking action against US technology and Internet companies."

The 54 signatories to the letter include Netscape founder Marc Andreessen of Andreessen Horowitz, John Borthwick of Betaworks, angel investor Ron Conway, LinkedIn founder Reid Hoffman, Vinod Khosla of Khosla Ventures, David Sze of Greylock Partners and Fred Wilson of Union Square Ventures.

A similar bill to the Protect IP Act, the Combating Online Infringement and Counterfeits Act, was approved by the Senate Judiciary Committee by a 19-0 vote in November but never made it to the Senate floor.

In addition to the venture capitalists, the bill, which was reintroduced in the Senate last month, has also come under fire from digital rights and free speech groups.

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