



NEWS RELEASE

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HB 3659; What's "Fair" about Harming Online Illinois Businesses?

CHICAGO, March 10, 2011/PRNewswire/-- There is a bill being signed by Governor Quinn today (HB 3659) which will devastate the Illinois tech community and cost us jobs in the State of Illinois.

In response to Governor Quinn's approval of HB 3659, Brian Littleton, Founder and CEO of ShareASale issued the following statement:

"Governor Quinn has spoken unequivocally that the growing, innovative, job-creating industry known as Affiliate Marketing is entirely unwelcome in Illinois. This is directly contrary to actions he took just a few weeks ago during his budget address when he announced the creation of the Illinois Innovation Council to address job growth in the tech community.

Let us remember, the reason the bill was written was to collect revenue for the State of Illinois. This bill does the opposite.

Due to the fact that out-of-state online retailers (any and all retailers and not just the one target that everyone is mentioning) can simply terminate their affiliate programs in Illinois, thus removing themselves from this bill's grasp, no revenue will be collected. That means no revenue, lost contracts for Illinois businesses, and loss of jobs in Illinois.

It is entirely unfortunate that the Federal government has not acted despite everyone on all sides of this issue knowing that it is truly a problem that only the Federal government can solve. Governor Quinn jumped the gun on this. Despite the fact that the federal government has indicated that this exact issue would be considered during this session – the Governor's early action will make that all moot as the damage will already have been done in Illinois.

Currently, Illinois affiliate marketers are being forced to pack up their businesses and move to another state because of a bill which started with a lack of understanding, and finished with poor judgment. Governor Quinn has spoken unequivocally that the growing, innovative, job-creating industry known as Affiliate Marketing is entirely unwelcome in Illinois. Where we were once poised to become the "Silicon Valley" of the Midwest, we are now forced to look to other states to operate our businesses. We have confirmed that neighboring state Governors and Lt. Governors have been in direct contact in an attempt to bring Affiliate Marketers to their borders.

Governor Quinn has instead decided to side with big-box retailers – those who destroyed main street in the first place – in an issue of "fairness". This bill does not help Main Street businesses who were simply used by the big-box retailers to put a better face on the issue. When this bill becomes a law in July of 2011, there will be no increased revenue for Main Street. It also won't lead to more people shopping on Main Street as opposed to online; and it certainly will not create more of a level playing field for Main

Street than there was prior to this bill. Unfortunately, the big-box retailers have fooled Ma and Pa into thinking that they are on the same side, when in fact, they never will be.

The irony is that during his last budget address, the ink still not dry, Governor Quinn set up an Illinois Innovation Council designed to foster growth in the growing tech community of Illinois. Unfortunately, the very first thing he did was pass a bill that a) isn't fair b) doesn't create any revenue for Illinois and c) kills job growth in an industry that he wished to grow.

Here are two critical things that have to happen now:

- 1. The State of Illinois Department of Revenue MUST set up a mechanism to track new revenue coming in from this bill on July 1st. If the Department of Revenue fails to do this, it will be an irresponsible lack of action – piling on to the already devastating loss of jobs in Illinois.*
- 2. The Federal government, specifically in Illinois the office of Senator Dick Durbin, must take great care into looking at this issue – as there is still time before July 1st during which he can save the State of Illinois from the unfortunate actions of the Governor.*

Essentially, once the bill becomes law, out-of-state retailers terminate affiliate marketers in Illinois, resulting in Affiliate-powered businesses large and small being decimated. This is quite a different outcome than is being touted by this bill as “fairness” for all parties involved. “

About ShareASale:

Chicago-based ShareASale is a provider of e-commerce tracking and affiliate management solutions for retailers. By facilitating relationships between affiliate marketers and the over 3,300 merchants, ShareASale helps its clients tap into new sources of revenue. Since 2001, ShareASale has been committed to driving all-around profitability based on fair, honest and proactive practices. ShareASale's efforts have been rewarded with multiple industry awards including “Best Affiliate Network” in 2006 and 2007 from industry forum ABestWeb, the “Fair Practice Award” from AffiliateFairPlay.com, and the “Affiliate Marketing Advocate” Pinnacle Award from industry conference Affiliate Summit.