

The FTC is Holding Corporate Actors Accountable, Protecting Small Businesses, Workers, and Consumers

The Federal Trade Commission, led by Chair Lina Khan, has entered a new era of more effective, modern, and democratic enforcement to better protect consumers, workers, and independent businesses. While navigating a leadership transition during a pandemic, an historic merger wave, and unprecedented economic dominance driven by rampant concentration, Chair Khan is steering the FTC to protect working families and honest businesses with stronger law enforcement. Under her leadership, the FTC is:

Enforcing Existing Rules to Hold Significant Corporate Actors Accountable

Protected Consumers and Small Businesses from Corporate Fraud and Deception

- [Launched an investigation](#) to enforce the law against pharmacy benefit managers for [engaging in commercial bribery and illegal kickbacks](#) that raise the price of drugs like insulin and put independent pharmacies out of business.
- [Sued retail giant Walmart](#) for facilitating money transfer fraud that cost consumers at least \$197 million possibly as much as \$1.3 billion, while pocketing millions in fees.
- Filed a federal district court complaint to [halt Intuit, the maker of TurboTax, from airing bogus advertisements](#) pitching “free” tax filings that a vast majority of taxpayers can’t use.
- Opened rulemaking to [crack down on deceptive “junk fees”](#) that businesses use to jack up prices after a consumer has selected a purchase.
- [Launched an inquiry](#) into the small business credit reporting industry, which wields enormous power over the success of small businesses and is not covered by the same laws applying to consumer credit reporting.

- [Led a lawsuit](#) – along with six state attorneys general – against Roomster for misrepresenting themselves with fake reviews and phony listings to consumer seeking affordable housing.

Restored FTC Authority to Protect Workers and Small Businesses from Unfair Methods of Competition

- Released a [policy statement](#) for FTC’s forward-looking authority to write rules defining unfair methods of competition.
- Using this authority, proposed a [near-complete ban on exploitative non-compete agreements](#) for employees, which suppress American wages by more than an estimated \$250 billion per year.

Resurrected the Long-Dormant Penalty Offense Authority to Punish and Deter Corporate Wrongdoing

- Revived the dormant [Penalty Offense Authority](#) to ensure corporations that knowingly break the law are penalized, bolstering the FTC’s ability to claw back money for consumers.
- The FTC first resurrected the authority in 2021 with unanimous votes to put on notice:
 - Over 70 [for-profit colleges for predatory behavior](#);
 - Over 700 companies for [fake online reviews](#); and
 - Over 1,000 businesses, including [Amazon, Doordash, and Grubhub](#), for deceiving gig workers about potential earnings.

Stood Up to Big Tech and Protected Privacy in the Digital Age

- [Ordered](#) eight social media and streaming platforms, including Facebook, Instagram, TikTok, YouTube, and others, to turn over information about deceptive and fraudulent advertising on their platforms.
- [Fined Epic Games \\$520 million dollars](#) for violations of children’s privacy laws and tricking users to make unintended purchases.
- Hosted a [public forum](#) and opened public comments to determine whether to issue rules addressing commercial surveillance, data hoovering, and lax data security practices to protect consumers from Big Tech’s dominance in the information economy.
- [Voted unanimously to adopt a policy statement](#) reaffirming the agency’s authority to enforce meaningful limitations on Big Tech’s ability to collect, use, and retain children’s data.
- Issued a landmark report proving the leading internet service providers (ISPs) [collect and sell more data than consumers know](#) – including full browsing history, location data, sexual orientation, and more.

- [Launched an inquiry](#) into the market power of cloud computing providers like Amazon, Google, and Microsoft, whose services underlie large parts of the economy.
- Strengthened the Safeguards Rule to [require banks to protect customer data](#) following widespread data breaches that led to financial losses and identity theft.
- [Protected over 100 million app users](#) by requiring that sensitive health data to not be shared with Facebook and Google without permission.
- Banned shady actor SpyFone and its CEO from the surveillance business and ordered them to [delete all secretly stolen data](#).
- Successfully [refiled an antitrust suit against Facebook](#) for alleging an illegal buy or bury scheme.
- Cracked down on health firms like [BetterHelp](#) and [GoodRx](#) for illegally selling Americans' sensitive health data to advertisers like Facebook and Google, ordering them to pay restitution and banning them from selling health data moving forward.
- [Sued data broker Kochava](#) for selling geolocation data that can be used to track people at addiction recovery facilities, reproductive health clinics, places of worship, shelters, and other sensitive locations.

Blocking Illegal Mergers and Promoting Competitive Markets

FTC, DOJ Opened Merger Guidelines Review to Small Businesses, Workers, Consumers

- The FTC and the Justice Department's Antitrust Division launched a public inquiry on modernized merger guidelines in a joint effort to [strengthen enforcement against illegal mergers](#) that drive higher prices, lower wages, and less innovation.
- They received [almost 6,000 public comments](#) - approximately 187x more than a previous merger guideline rewriting in 2010 - from entrepreneurs, small businesses, workers, and consumers who have experienced firsthand the effects of mega-mergers and acquisitions.
- The FTC and DOJ also hosted joint listening forums that included grocers, health care professionals, farmers, innovators in biotechnology, media and entertainment, and technology workers, who shared their personal experiences on the effects of previous mergers.

Challenged Monopolies and Rampant Consolidation, Including Successfully Blocking Illegal Vertical Mergers

- [Sued to block](#) Microsoft's \$69 billion acquisition of video game developer Activision Blizzard, the largest tech acquisition ever.

- Along with 10 state attorneys general, [filed a suit against agribusiness giants Syngenta and Corteva](#) for paying off distributors to exclude cheaper pesticides, increasing prices for farmers.
- Ordered biotech firm Illumina to [unwind its purchase](#) of cancer test maker Grail to protect competition and innovation in the life-saving technology industry.
- [Investigated](#) whether industry consolidation was responsible for the national infant formula shortage, pledging to scrutinize whether formula makers and distributors engaged in illegal economic discrimination to limit the availability of formula from retailers.
- Sued to block seven different mergers in defense contracting, hospitals, and more, including vertical mergers like [Lockheed Martin-Aerojet](#) and [Nvidia-Arm](#), with all transactions later abandoned.
- [Voted to block](#) a \$12 billion merger between the two major mortgage loan technology providers, which would lead to higher prices for American home buyers.
- Cracked down on private equity roll-ups to protect small businesses and good jobs, including preventing [JAB Consumer Partners](#) from consolidating control over specialty and emergency veterinary clinics.
- [Won approval](#) to move forward with a lawsuit against pharma-IT firm Surescripts for monopolizing the e-prescription market and raising Americans' healthcare costs
- Chair Khan [submitted a comment](#) in favor of the US Department of Agriculture's proposed rule on transparency in poultry grower contracting, urging the agency to take key steps towards a more fair and competitive food system.

Restored the Right to Repair with Unanimous Vote

- Unanimously moved to [enforce the "Right to Repair"](#) against corporations that make it difficult to repair their products.
- The FTC's announcement was [hailed by advocates](#) and followed by [Apple announcing new public access to parts and repair manuals](#), reversing decades of restrictive repair policies.
- Launched an inquiry into repair terms surrounding [McDonald's perpetually nonfunctioning ice cream machines](#).
- Launched [a public comment period](#) to gather more information about a broader set of one-sided contract terms that may harm fair competition.

Protecting Consumers from Abusive Tricks and Scams

Returned Millions to Working Americans and Curbed Subscription Traps

- Ordered [CreditKarma to pay \\$3 million](#) to its users after the company used dark patterns to misrepresent that consumers were “pre-approved” for credit card offers and harmed their credit scores.
- Returned over \$669 million to working families across the country after it was stolen, swindled, or scammed from them, including:
 - \$115 million in refunds to [victims of scams](#) facilitated on payment transfer platform MoneyGram
 - \$60 million in [stolen wages returned](#) to Amazon drivers;
 - Up to \$40 million to patients defrauded by [“Pharma Bro” Martin Shkreli](#) after a unanimous FTC vote;
 - Tens of millions more in refunds to scam victims across the country.
- [Investigated DeVry University](#), which led to the U.S. Department of Education forgiving \$71.7 million in federal student loans for students deceived by the for-profit college.
- [Proposed](#) new “click to cancel” rules requiring companies to make it just as easy to cancel subscriptions as it was to sign up, and [ramped-up enforcement](#) actions to defend Americans against illegal subscription traps in response to a rising number of complaints about deceptive sign-up tactics, unauthorized charges, and ongoing billing that is impossible to cancel.

Cracked Down on Made in America Fraud Harming Ranchers and Consumers

- [Defended American entrepreneurs](#) by issuing a new rule that cracks down on false “Made In USA” labels often used by dominant meatpacking conglomerates.
- The [new rule especially benefits small businesses](#) that rely on their Made in America labels, but lack the resources to defend themselves from imitators. The rule also protects and incentivizes U.S. production by requiring companies to prove their products are “all or virtually all” made in the United States if they are to use Made In America labels.