

**TESTIMONY OF THE
FEDERAL TRADE COMMISSION**

**Before the
COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON FINANCIAL SERVICES AND GENERAL GOVERNMENT**

UNITED STATES HOUSE OF REPRESENTATIVES

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I. INTRODUCTION

Chairman Joyce, Ranking Member Hoyer, and members of the Subcommittee, I am Andrew N. Ferguson, Chairman of the Federal Trade Commission (“FTC” or “Commission”), and I am pleased to appear before you today to testify about the Trump-Vance FTC, our budgetary accountability actions, and our efforts to protect consumers and promote competition.¹

I joined the Commission over a year ago, and during my time here, I have seen firsthand a civilian workforce tirelessly dedicated to upholding the rule of law, promoting competition, and protecting consumers. Each case the FTC wins is a testament to their outstanding talent and their commitment to public service. This small agency consistently delivers big results for the American people.

That is why I was profoundly honored when President Donald J. Trump appointed me to lead the agency in January. I accepted that charge at a critical moment in the FTC’s history. Our challenges are as formidable as ever, but our resources have been spread thin by the previous administration’s mismanagement. Thankfully, the measures we must take to address our resource constraints align with the President’s directives to ensure that the agency is operating as efficiently and effectively as possible while fulfilling its important mission.

I resolutely believe in this mission. No economic system in history has better promoted the common good than the American free-enterprise system. No economic system has contributed more to human flourishing. But our free-enterprise system promotes the common good of all Americans only if we protect it from anticompetitive business practices, anticompetitive consolidation, and fraud. Without vigorous enforcement of our competition and consumer-protection laws, our free-enterprise system would benefit only the wealthy and the corrupt.

For that reason, the Trump-Vance FTC has gone back to the agency’s roots. Vigorous enforcement of the law is our focus. Congress established the FTC to be a cop on the beat for our markets, not to make the rules. We don’t get to pick and choose what laws we like and what laws we don’t. We enforce the laws that the people, through their representatives in Congress, have decided best promote competition and fairness. We investigate wrongdoing and, if we believe violations of the law are taking place, we bring lawsuits. We seek to protect competition and combat fraud through vigilance, fair and thorough investigations, and ultimately litigation. The FTC is here to defend our free enterprise-system and make it work for everyone. We want to protect Americans whenever they shop for groceries, go to the hospital, or speak online.

The FTC is the only federal agency directed by law to both protect consumers and promote competition in most sectors of the economy. This work is effectuated by three main bureaus at the FTC: the Bureau of Consumer Protection (“BCP”); the Bureau of Competition (“BC”); and the Bureau of Economics (“BE”), which supports both BCP and BC. The FTC’s

¹ This written statement presents the view of the Federal Trade Commission. The oral statement and responses to questions reflect my own views and do not necessarily reflect the views of the Commission or any Commissioner.

jurisdiction includes children's privacy, consumer fraud, mergers and acquisitions, and anticompetitive conduct by companies. We enforce the law across a range of sectors, including healthcare, consumer goods, and high technology.

My testimony today discusses the FTC's work to protect U.S. consumers and competition, highlighting some of the agency's major recent activities and initiatives. I begin, however, with a brief overview of the FTC's current budget, resources, and cost-saving endeavors.

II. BUDGET AND RESOURCES

In FY 2025, the FTC's enacted budget is \$425.7 million with 1,221 personnel currently onboard. Personnel costs make up roughly 66 percent of our expenses, and the balance of the costs go primarily to expert witnesses, infrastructure, and IT modernization. As Chairman, I am committed to using our resources efficiently to promote competition and protect consumers and fully support President Trump's promise to reduce the size of the federal government to no larger than necessary to fulfill its statutory mandates.

The FTC began FY 2025 with roughly 1,315 personnel onboard and has already reduced to its current level of 1,221, or a reduction of 94 personnel. Even with these reductions, the FTC must go further. We anticipate reducing to an FTE level, or Full-Time Employee level, that will be the lowest it has been in 10 years by using the Voluntary Early Retirement Act (VERA), the Voluntary Separation Incentive Program (VSIP), and the Deferred Resignation Program, as well as potentially through a targeted Reduction in Force (RIF), if necessary. Additionally, in FY 2025 the FTC reduced its contract obligations by more than 5 percent and continues to seek further efficiency with respect to ongoing contracts. We are also engaged in efforts to identify cost-effective solutions for our facilities – a task that presents unique challenges given the FTC is made predominantly of attorneys who require office space to conduct their sensitive work.

While we do not yet have an FY 2026 budget, we are positioning our agency to serve as an effective partner in this Administration by preparing for legislation and ultimately laws strongly supported by President Trump and a priority of the Office of the First Lady, such as the Take It Down Act, which would significantly expand the FTC's enforcement authority to protect the American people from graphic deep fakes or non-consensual images. In addition, the FTC will also prioritize funding for expert witness costs necessary to support litigation in increasingly complex competition and consumer protection matters, and continue to invest in infrastructure that can address the growth of cases that require us to manage big data environments and to leverage advanced analytics capabilities. These emerging priorities require meaningful investments, and the FTC will need to account for them as we continue to fulfill our mandate.

The FTC will continue to provide remarkable value to the American public for a relatively low cost. The FTC's budget request typically assumes offsetting collections from Do Not Call fees and Hart-Scott-Rodino filing fees under the current fee structure, thereby reducing FTC reliance on the general fund appropriation. Notably, in FY 2025 Congress appropriated the FTC \$425.7 million of which \$138.7 million, or 33 percent will come from the general fund. The American public, in return, reaped an enormous return from the FTC's work. \$333.7 million was

paid to consumers in FY 2024. Moreover, the FTC reduced anticompetitive merger activity, saving substantial amounts for consumers on the everyday cost of goods – for example, the FTC saved shoppers \$1.9 billion annually by blocking Kroger’s unlawful proposed merger with Albertsons, which would have increased grocery prices across the country.²

We will prioritize protecting consumers, workers, and honest businesses while encouraging innovation and promoting a fair economy and widespread prosperity, and we recognize that maintaining this high level of performance will require adequate staffing. Thus, the FTC is committed to maintaining a workforce that can deliver for the American people and carry out its mission while reducing the size of the agency in line with the President’s vision. This would guarantee that the FTC can continue to implement the Administration’s priorities, return to the American people money taken by fraudsters and other bad actors, block unlawful, harmful mergers and acquisitions, and combat the effects of unfair, deceptive, and anticompetitive business practices.

III. CONSUMER PROTECTION MISSION

As the nation’s consumer protection agency, the FTC has a broad mandate to protect Americans from unfair or deceptive acts or practices. Among other mandates, the FTC works to fight deception and related harms affecting consumers; combat opioid recovery fraud and other health fraud; stand up for all consumers, including older adults and servicemembers; address unlawful conduct related to privacy and data security; and enforce the laws in ways that benefit domestic manufacturers and other small businesses. Under the Trump-Vance Administration, the Trump-Vance FTC will focus its resources and efforts on fighting fraud. The FTC is also working on important efforts that the last administration failed to undertake, such as holding Big Tech accountable for unlawful conduct that results in censorship and undermines free speech online. Finally, the FTC is working hard to enforce the BOTS Act and otherwise prevent unfair and deceptive conduct in the ticket sales industry.

A. Protecting All Consumers from Fraud and Deceptive Business Practices

The FTC is undertaking robust enforcement efforts to address fraud and deceptive business practices.

1. Reducing Robocalls

In FY 2024, the FTC received more than 2 million complaints about unwanted calls, including nearly 1.1 million reports about robocalls.³ The Commission uses every tool at its disposal to combat these calls. Over the years, the FTC has filed 172 enforcement actions against 570 companies and 449 individuals alleged to be responsible for placing billions of unwanted or deceptive telemarketing calls to consumers. We have also collected nearly \$400 million in civil penalties and equitable monetary relief from these violators. In cases where

² *FTC v. Kroger Co.*, No. 3:24-CV-00347-AN, 2024 WL 5053016 (D. Or. Dec. 10, 2024).

³ FTC, Do Not Call Registry Data Book 2024 (2024), https://www.ftc.gov/system/files/ftc_gov/pdf/DNC-Data-Book-2024.pdf.

perpetrators ran telemarketing scams, the FTC has obtained court orders shutting down these businesses and securing monetary relief so monies could be returned to consumers.⁴

The FTC is also disrupting foreign-based scammers that export illegal robocalls into the United States. The Commission continues to send warning letters as part of Project Point of No Entry (“PoNE”). PoNE targets “point of entry” or “gateway” Voice over Internet Protocol (“VoIP”) service providers.⁵ In collaboration with the Federal Communications Commission, the Industry Traceback Group, and state attorneys general, the FTC identifies point of entry VoIP service providers that are routing or transmitting illegal robocall traffic. The FTC then demands that they stop, warns that their conduct may violate the Telemarketing Sales Rule (“TSR”), monitors their pursuit of recalcitrant VoIP providers, and conducts law enforcement investigations and files lawsuits when appropriate. Through PoNE, the FTC has sent 31 warning letters to providers that were allegedly responsible for more than 450 robocall campaigns. Of the 24 providers targeted in earlier rounds, 22 significantly curbed or altogether stopped the flow of illegal calls.

On July 18, 2023, the FTC announced Operation Stop Scam Calls, the largest crackdown on illegal telemarketing in our history. The operation consisted of more than 180 actions targeting those responsible for billions of illegal calls to U.S. consumers.⁶ More than 100 state and federal law enforcement partners participated in the sweep. The FTC’s cases targeted robocalls at every level, including telemarketers that make robocalls, VoIP providers that provide telemarketers access to telephone networks, and the lead generators that obtain and sell the leads robocallers use to call consumers. The FTC is determined to go after not only individual bad actors but also the platforms that enable these practices on a massive scale.

Robocalls continue to vex consumers and remain a scourge, but our strategy of targeting upstream facilitators of illegal telemarketing is paying dividends to the American people. Although robocalls remain an ongoing problem, the FTC’s efforts have gone a long way to improving quality of life for Americans who want an end to vexatious calls. The number of complaints coming into the FTC regarding unwanted calls is down more than 60 percent from 2021.⁷

⁴ Temporary Restraining Order, *FTC v. Smith*, No. 2:23-cv-04848 (E.D. Pa. Dec. 8, 2023), https://www.ftc.gov/system/files/ftc_gov/pdf/Weblio-TRO.pdf (freezing the defendants’ assets and prohibiting their deceptive practices); Order, *FTC v. Green Equitable Solutions*, No. 2:22-cv-6499 (C.D. Cal. Feb 2, 2024) (banning defendants from telemarketing and ordering them to pay a \$15,891,536 monetary judgment).

⁵ Press Release, Fed Trade Comm’n, Project Point of No Entry Keeps FTC’s Focus on Gateway Voice Service Providers to Stop Illegal Robocalls from Entering the United States (Jan. 30, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/01/project-point-no-entry-keeps-ftcs-focus-gateway-voice-service-providers-stop-illegal-robocalls>.

⁶ Press Release, Fed. Trade Comm’n, FTC, Law Enforcers Nationwide Announce Enforcement Sweep to Stem the Tide of Illegal Telemarketing Calls to U.S. Consumers (July 18, 2023), <https://www.ftc.gov/news-events/news/press-releases/2023/07/ftc-law-enforcers-nationwide-announce-enforcement-sweep-stem-tide-illegal-telemarketing-calls-us>.

⁷ Compare *Do Not Call Registry Data Book 2024*, FTC at 6 (https://www.ftc.gov/system/files/ftc_gov/pdf/DNC-Data-Book-2024.pdf) with *Do Not Call Registry Data Book 2021*, FTC at 6 (https://www.ftc.gov/system/files/documents/reports/national-do-not-call-registry-data-book-fiscal-year-2021/dnc_data_book_2021.pdf).

2. Combatting Fraud Targeting Older Americans

Protecting older consumers is one of the FTC's top priorities, which the agency is pursuing through aggressive law enforcement actions, innovative education and outreach campaigns, extensive research, and collaboration with partners and stakeholders. The FTC has brought a number of actions against companies for allegedly engaging in illegal practices that disproportionately impact older adults, such as tech support scams,⁸ deceptive job claims,⁹ money making schemes,¹⁰ and deceptive financing practices.¹¹

Consumer education and outreach work is a vital component of the agency's mission to help protect older adults from scams and fraud. The centerpiece of this work is the Pass It On campaign,¹² which provides easily digestible materials and information about how to spot common scams (e.g., grandparents scams, romance scams, identity theft), actionable advice on what to do if you are being targeted for a scam, and encourages consumers to pass on the information. The materials respect older adults' lifetime of experience and encourages them to share what they know in their community. Since its original launch in 2014, the agency has distributed nearly 23 million Pass It On materials nationwide. Numerous members of Congress have ordered copies of Pass It On to help their constituents spot and avoid scams, and the campaign has served as the basis for many members' town hall meetings. The FTC also created the Senior Fraud Advisory Office, pursuant to the Seniors Fraud Prevention Act of 2022, to advise the Commission on strategies to protect older Americans.

The Commission coordinates with various stakeholders across government, industry, and consumer advocacy organizations in its efforts to protect older adults from scams. Pursuant to the Stop Senior Scams Act of 2022, the Commission formalized its collaborations by establishing the Scams Against Older Adults Advisory Group. In 2024 and 2025, the Advisory Group issued: (a) guidance on effective consumer education and outreach; (b) best practices on training industry employees to spot and stop scams; (c) a report highlighting existing research on effective scam prevention messaging and outlining where additional research is necessary; (d) research on state laws that allow financial institutions to hold or freeze transactions when

⁸ Press Release, Fed. Trade Comm'n, Tech Support Firms Will Pay \$26 Million to Settle FTC Charges That They Deceived Consumers Into Buying Repair Services (Mar. 14, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/03/tech-support-firms-will-pay-26-million-settle-ftc-charges-they-deceived-consumers-buying-repair>.

⁹ Press Release, Fed. Trade Comm'n, FTC Takes Action Against Care.com for Deceiving Caregivers About Wages and Availability of Jobs on its Site, Impeding Cancellation Process (Aug. 26, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/08/ftc-takes-action-against-carecom-deceiving-caregivers-about-wages-availability-jobs-its-site>.

¹⁰ Press Release, Fed. Trade Comm'n, FTC Acts to Stop Sprawling Business Opportunity Scheme That Took Millions From Consumers (Dec. 19, 2023), available at <https://www.ftc.gov/news-events/news/press-releases/2023/12/ftc-acts-stop-sprawling-business-opportunity-scheme-took-millions-consumers>.

¹¹ Press Release, Fed. Trade Comm'n, FTC Sends More than \$19.8 Million in Refunds to Consumers Harmed by Aqua Finance's Deceptive Sales Tactics (Feb. 19, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/02/ftc-sends-more-198-million-refunds-consumers-harmed-aqua-finances-deceptive-sales-tactics>.

¹² See <http://www.ftc.gov/PassItOn>.

fraud against an older adult is suspected; and (e) best practices addressing gift card fraud.¹³ The Advisory Group made these resources publicly available to assist industry and others to prevent scams from impacting older adults.¹⁴ The Commission's annual report to Congress describes in detail its work on behalf of older adults.¹⁵

3. Protecting Servicemembers and Veterans

Combatting fraud targeted at servicemembers is a top priority of the Trump-Vance FTC. The Commission has taken efforts along these lines in the past. For example, in July 2024, the Commission voted for an action against online career-training company Career Step resolving charges that it lured consumers, including servicemembers and their spouses, with deceptive ads (including through military-focused publications such as Military.com) that falsely touted inflated employment outcomes, job placement, and partnerships with prominent companies.

The stipulated order required the company to pay \$27.8 million in debt cancellation and \$15.7 million in cash in redress to harmed consumers.¹⁶ In July 2022, in its first case enforcing the Military Lending Act,¹⁷ the FTC and a group of 18 states took action against Harris Jewelry, a national jewelry retailer, to stop the company from allegedly targeting military families with illegal financing and sales practices, ultimately requiring the company to pay \$10.9 million in refunds and engage in other affirmative assistance to its victims.¹⁸ The Commission's efforts to protect military and veteran communities include a vigorous, long-standing educational campaign,¹⁹ which the FTC created and manages with its partners, including the Department of Defense's Office of Financial Readiness. The FTC regularly engages in national-level outreach

¹³ See FTC, Second Scams Against Older Adults Advisory Group Meeting (Apr. 2, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/03/ftc-convenes-advisory-group-fight-scams-against-older-adults>; see also <https://www.ftc.gov/olderadults>.

¹⁴ FTC, Addressing Scams Affecting Older Adults, available at www.ftc.gov/olderadults.

¹⁵ FTC, Protecting Older Consumers 2023-2024: A Report of the Fed. Trade Comm'n (Oct. 2024), https://www.ftc.gov/system/files/ftc_gov/pdf/federal-trade-commission-protecting-older-adults-report_102024.pdf.

¹⁶ Press Release, Fed. Trade Comm'n, Career Step to Pay \$43.5 Million in Cash and Debt Cancellation to Resolve Charges It Used Deceptive Advertising to Lure Servicemembers and Their Spouses (July 30, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/07/career-step-pay-435-million-cash-debt-cancellation-resolve-charges-it-used-deceptive-advertising>. In 2025, the FTC sent more than \$15.5 million in refunds to consumers, including servicemembers and their spouses, harmed by Career Step's deceptive practices. See FTC Sends More than \$15.5 Million in Refunds to Consumers Affected by Career Step's Deceptive Job Placement and Employer Partnerships Claims (Mar. 12, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/03/ftc-sends-more-155-million-refunds-consumers-affected-career-steps-deceptive-job-placement-employer>.

¹⁷ 10 U.S.C. § 987.

¹⁸ Press Release, Fed. Trade Comm'n, FTC and 18 States Sue to Stop Harris Jewelry from Cheating Military Families with Illegal Financing and Sales Tactics (July 20, 2022), <https://www.ftc.gov/news-events/news/press-releases/2022/07/ftc-18-states-sue-stop-harris-jewelry-cheating-military-families-illegal-financing-sales-tactics>; see also *infra* note 75 (discussing action against BurgerIM for deceiving veterans).

¹⁹ See, e.g., militaryconsumer.gov (launched by FTC and operated in cooperation with Department of Defense Office of Financial Readiness (DoD FinRed) and the Consumer Financial Protection Bureau's Office of Servicemember Affairs (CFPB OSA)); Consumer Alert, Fed. Trade Comm'n, Time to help your buddies (June 30, 2023), <https://www.militaryconsumer.gov/blog/time-help-your-buddies> (military consumer alert celebrating Military Consumer Month and launching a blog series tackling topics including romance scams, veteran benefits, identity theft, and investment scams).

to get anti-scam messaging to servicemembers, veterans, and their families, including through the American Forces Network.²⁰ The agency also participates in ongoing military-related working groups led by, for example, the Department of Veterans Affairs.

4. Preventing Financial Misconduct

The FTC brought 24 federal court actions in recent years against companies that allegedly made false promises regarding credit repair,²¹ mortgage or other debt relief

²⁰ See AARP, Veterans and Military Families, <https://www.aarp.org/volunteer/causes/veterans-military-families/>.

²¹ Complaint, *FTC v. Michael Rando*, No. 3:22-cv-00487-TJC-MCR (M.D. Fla. 2022), https://www.ftc.gov/system/files/ftc_gov/pdf/01%20-%20Complaint.pdf; Complaint, *FTC v. Fin. Educ. Servs. Inc.*, No. 2:22-cv-11120-BAF-APP (E.D. Mich. 2022), https://www.ftc.gov/system/files/ftc_gov/pdf/Complaint_0.pdf; Complaint, *United States v. Turbo Solutions Inc.*, No. 4:22-mc-369/4:24-cv-02451 (S.D. Tex. 2022), https://www.ftc.gov/system/files/ftc_gov/pdf/AlexMillerComplaint.pdf; Complaint, *FTC v. Boostmyscore LLC*, No. 1:20-cv-00641 (D. Colo. 2020), https://www.ftc.gov/system/files/documents/cases/192_3059_boost_my_score_complaint_filed_0.pdf; Complaint, *FTC v. Grand Teton Professionals, LLC*, No. 3:19-cv-00933-VAB (D. Conn. 2019), https://www.ftc.gov/system/files/documents/cases/182_3168_grand_teton_complaint_6-21-19.pdf.

services,²² collected on phantom debts,²³ deceptively marketed cash advances,²⁴ payday loan providers,²⁵ payment processors,²⁶ and a bill payment company.²⁷ For example, in February of this year, the FTC sued a phantom debt collection operation that allegedly threatened consumers with legal action, wage garnishment, negative impacts to consumers' credit, and arrest if they did

²² First Amended Complaint, *FTC v. Superior Servicing LLC*, No. 2:24-cv-02163-GMN-MDC (D. Nev. 2025), https://www.ftc.gov/system/files/ftc_gov/pdf/superiorservicing_first_amedneded_complaint.pdf; Complaint, *FTC v. Panda Benefit Services, LLC*, No. 8:24-cv-01386-CAS-RAOx (C.D. Cal. 2024), https://www.ftc.gov/system/files/ftc_gov/pdf/panda_prosperity_complaint.pdf; Complaint, *FTC v. Start Connecting LLC*, No. 8:24-cv-01626-KKM-AAS (M.D. Fla. 2024), https://www.ftc.gov/system/files/ftc_gov/pdf/usasdr_complaint.pdf; Complaint, *FTC v. Intercont'l Sols. LLC*, No. 8:23-cv-01495-SB-JDE (C.D. Cal. 2023), ; Complaint, *FTC v. BCO Consulting Servs., Inc.*, No. 8:23-cv-00699-JWH-ADS (C.D. Cal. 2023), https://www.ftc.gov/system/files/ftc_gov/pdf/FTC-v-BCO-Consulting-Services-Inc-et-al-23-cv-0699-Complaint.pdf; Complaint, *FTC v. SL Fin. LLC*, No. 8:23-cv-00698-JWH-ADS (C.D. Cal. 2023), https://www.ftc.gov/system/files/ftc_gov/pdf/01-Complaint-FTC-v-SL-Finance-LLC.pdf; Complaint, *FTC v. Prosperity Training Tech., L.L.C.*, No. 3:22-cv-00487-TJC-MCR (M.D. Fla. 2022), https://www.ftc.gov/system/files/ftc_gov/pdf/01 - Complaint.pdf; Complaint, *FTC v. ACRO Servs. LLC*, No. 3:22-cv-00895 (M.D. Tenn. 2022), https://www.ftc.gov/system/files/ftc_gov/pdf/Complaint-Unsealed.pdf; Complaint, *FTC & Cal. Dep't of Fin. Prot. & Innovation v. Green Equitable Sols.*, No. 2:22-cv-06499-FLA (C.D. Cal. 2022), https://www.ftc.gov/system/files/ftc_gov/pdf/Home%20Matters%20-%20Complaint.pdf; Complaint, *FTC & Fla. Att'y Gen. v. GDP Network LLC*, No. 6:20-cv-01192-WWB-DCI (M.D. Fla. 2022), https://www.ftc.gov/system/files/documents/cases/1923137yfsolutioncomplaint_0.pdf; Complaint, *FTC v. SLAC, Inc.*, No. 5:20-cv-00470 (C.D. Cal. 2020), https://www.ftc.gov/system/files/documents/cases/doc_1_complaint.pdf; Complaint, *FTC v. Am. Fin. Support Servs., Inc.*, No. 8:19-cv-02109-JWH (C.D. Cal. 2019), https://www.ftc.gov/system/files/documents/cases/192_3040_arete_financial_group_complaint_for_permanent_injunction_and_other_equitable_relief_11-12-19.pdf; Complaint, *FTC & Minn. v. Manhattan Beach Venture LLC*, No. 2:19-cv- 7849 (C.D. Cal. 2019), https://www.ftc.gov/system/files/documents/cases/172_3041_mbv_complaint_0.pdf; Complaint, *FTC v. Student Advocates Team, LLC*, No. 8:19-cv-01728-JVS (C.D. Cal. 2019), https://www.ftc.gov/system/files/documents/cases/172_3036_pag_complaint_1.pdf; Complaint, *FTC v. Elegant Sols., Inc.*, No. 8:19-cv-01333-JVS (C.D. Cal. 2019), https://www.ftc.gov/system/files/documents/cases/192_3105_mission_hills_complaint_7-11-19.pdf.

²³ Complaint, *FTC v. Blackrock Services, Inc.*, No. 8:25-cv-00363-HDV-ADSx (C.D. Cal. 2025), https://www.ftc.gov/system/files/ftc_gov/pdf/Blackstone-Complaint.pdf; Complaint, *FTC v. Global Circulation, Inc.*, No. 1:24-cv-04927-TRJ (N.D. Ga. 2024), https://www.ftc.gov/system/files/ftc_gov/pdf/DE1-Complaint_0.pdf; Complaint, *FTC v. Critical Resolution Mediation LLC*, No. 1:20-cv-03932-JPB (N.D. Ga. 2020), https://www.ftc.gov/system/files/documents/cases/complaint_5.pdf; Complaint, *FTC v. Absolute Financial Services, LLC*, No. 0:20-cv-02596-JMC (D.S.C. 2020), https://www.ftc.gov/system/files/documents/cases/202_3072_absolute_financial_services_-_complaint.pdf; Complaint, *FTC v. National Landmark Logistics LLC*, No. 0:20-cv-02592-JMC (D.S.C. 2020), https://www.ftc.gov/system/files/documents/cases/202_3071_national_landmark_logistics_-_complaint.pdf.

²⁴ Complaint, *FTC v. Cleo AI, Inc.*, No. 1:25-cv-02594 (S.D.N.Y. 2025), https://www.ftc.gov/system/files/ftc_gov/pdf/cleo_ai_redacted_complaint_2025.03.27.pdf.

²⁵ Complaint, *FTC v. Lead Express, Inc.*, No. 2:20-cv-00840-JAD-NJK (D. Nev. 2020), https://www.ftc.gov/system/files/documents/cases/1923208harvestmooncomplaint_0.pdf.

²⁶ Complaint, *FTC v. Automatic Funds Transfer Servs., Inc.*, No. 1:21-cv-02932 (D.D.C. 2021), https://www.ftc.gov/system/files/documents/cases/complaint_7.pdf.

²⁷ Complaint, *FTC v. Doxo*, No. 2:24-cv-00569 (W.D. Wash. 2024), https://www.ftc.gov/system/files/ftc_gov/pdf/Doxo-Filed-Complaint.pdf.

not pay on fake debts.²⁸ At the Commission’s request, the court entered a temporary restraining order that halted the defendants’ operations and froze the assets of the scheme and its operators.

5. Fighting Opioid Recovery Fraud and Other Health-Related Misconduct

The FTC employs the authority Congress gave us in the Opioid Addiction Recovery Fraud Prevention Act (“OARFPA”) to stop companies from exploiting Americans struggling with substance use disorders. The Commission has brought multiple OARFPA actions challenging deceptive claims for products and services purporting to treat or cure substance use disorders. In Smoke Away, for example, the FTC obtained a \$7.6 million judgment for consumer redress and civil penalties in a settlement against the company for allegedly deceptive advertising that its products eliminate nicotine addiction.²⁹ In Rejuvica, we obtained a partially suspended \$3.2 million judgment against the company for allegedly deceptive claims that its products reduced alcohol cravings.³⁰ And in AWAREmed, we obtained a \$100,000 civil penalty against a treatment clinic for allegedly deceptive claims about addiction and cancer treatment.³¹ All three of these cases additionally involved alleged deceptive endorsements or testimonials of addiction treatment services and products.

Most recently, in January 2025, the Commission brought an OARFPA action against Evoke Wellness, a substance abuse disorder treatment clinic, alleging that Evoke Wellness used a combination of deceptive Google ads and telemarketing to trick consumers into choosing Evoke treatment clinic over the clinics those consumers searched for on Google.³² The FTC also has used its authorities to put an end to a variety of other deceptive claims about health products or services. In January 2025, the FTC and the State of Georgia jointly obtained orders against Stem Cell Institute of America, a company that deceived consumers needing medical treatment into buying expensive and unproven stem cell therapy. These orders banned the

²⁸ Press Release, Fed. Trade Comm’n, FTC Action Leads to Court Order Halting Phantom Debt Collection Scheme That Took Millions from Consumers and Threatened Consumers’ Credit, Homes, and Employment (Mar. 3, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/03/ftc-action-leads-court-order-halting-phantom-debt-collection-scheme-took-millions-consumers>.

²⁹ Press Release, Fed. Trade Comm’n, FTC Acts to Stop Owner, Marketers of ‘Smoke Away’ from Deceptively Claiming Products Enable Users to Quit Smoking (June 30, 2023), <https://www.ftc.gov/news-events/news/press-releases/2023/06/ftc-acts-stop-owner-marketers-smoke-away-deceptively-claiming-products-enable-users-quit-smoking>.

³⁰ Press Release, Fed. Trade Comm’n, FTC Takes Action Against Makers of Sobrenix Supplement That Deceptively Claimed to Reduce Alcohol Cravings, Relied on Fake Endorsements July 19, 2023), <https://www.ftc.gov/news-events/news/press-releases/2023/07/ftc-takes-action-against-makers-sobrenix-supplement-deceptively-claimed-reduce-alcohol-cravings>.

³¹ Press Release, Fed. Trade Comm’n, FTC Sues Medical Clinic and Its Owner for False or Unsubstantiated Claims Its Treatment Center Could Cure Addiction and Other Diseases (Mar. 16, 2023), <https://www.ftc.gov/news-events/news/press-releases/2023/03/ftc-sues-medical-clinic-its-owner-false-or-unsubstantiated-claims-its-treatment-could-cure-addiction>.

³² Press Release, Fed. Trade Comm’n, FTC Sues Evoke Wellness and Top Executives for Misleading Consumers Seeking Substance Use Disorder Treatment (Jan. 13, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/01/ftc-sues-evoke-wellness-top-executives-misleading-consumers-seeking-substance-use-disorder-treatment>.

company from marketing stem cell therapy and ordered it to pay, to the state co-plaintiff, \$5.5 million in monetary penalties.³³

6. Halting Deceptive Billing and Cancellation Practices

The Trump-Vance FTC has prioritized taking action against deceptive billing and cancellation practices. Just last month, the Commission announced an action against Uber, alleging the company charged consumers for a subscription service without their consent, failed to deliver promised savings, and made it difficult for users to cancel the service despite its “cancel anytime” promises.³⁴ According to the FTC’s complaint, consumers have reported finding Uber subscription charges on their credit card bill despite never having signed up for a subscription. The complaint also states that consumers can be forced to navigate as many as 23 screens and take as many as 32 actions to cancel, and that some users are told they have to contact customer support to cancel but are given no way to contact them. The complaint alleges that this conduct violates the FTC Act and the Restore Online Shoppers’ Confidence Act (ROSCA).

The Commission is also currently litigating a ROSCA case against Amazon.³⁵ The FTC’s complaint alleges that Amazon enrolled many consumers in Amazon Prime without their knowledge or consent. Amazon then made it unreasonably complicated for many consumers to cancel their subscription. Specifically, they made it hard to navigate an unnecessarily difficult cancellation procedure. The parties are nearing the end of fact and expert discovery. Trial is scheduled to start on September 22 of this year.

The Commission also took action against online cash advance company Cleo AI in March.³⁶ According to the complaint, Cleo promised consumers access to hundreds of dollars, but almost no one received anything close to the advertised amounts. The complaint also states that Cleo made it difficult for consumers to cancel subscriptions; consumers reported being charged monthly fees despite repeated requests to cancel, and that they were told they could not cancel their subscription until outstanding cash advances were paid. The company agreed to pay \$17M to settle the charges.

³³ Press Release, Fed. Trade Comm’n, Stem Cell Institute Co-Founders and Companies Banned from Marketing Stem Cell Treatments and Ordered to Pay More Than \$5.1 Million for Refunds and Civil Penalties (Jan. 8, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/01/stem-cell-institute-co-founders-companies-banned-marketing-stem-cell-treatments-ordered-pay-more-51>.

³⁴ Press Release, Fed. Trade Comm’n, FTC Takes Action Against Uber for Deceptive Billing and Cancellation Practices (Apr. 21, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/04/ftc-takes-action-against-uber-deceptive-billing-cancellation-practices>.

³⁵ Press Release, Fed. Trade Comm’n, FTC Takes Action Against Amazon for Enrolling Consumers in Amazon Prime Without Consent and Sabotaging Their Attempts to Cancel (June 21, 2023), <https://www.ftc.gov/news-events/news/press-releases/2023/06/ftc-takes-action-against-amazon-enrolling-consumers-amazon-prime-without-consent-sabotaging-their>.

³⁶ Press Release, Fed. Trade Comm’n, Cash Advance Company Cleo AI Agrees to Pay \$17 Million As Result of FTC Lawsuit Charging It Deceives Consumers (Mar. 27, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/03/cash-advance-company-cleo-ai-agrees-pay-17-million-result-ftc-lawsuit-charging-it-deceives-consumers>.

7. Empowering Innovation and Addressing Fraud in New Fields

The rapid emergence of new tools powered by artificial intelligence (“AI”) presents significant opportunities for consumers, workers, and our economy. But, as has occurred in other areas of technological development, it also provides bad actors the opportunity to use the promise of AI to scam consumers. Circumspect and appropriate enforcement of existing laws to prevent fraudulent conduct in emerging fields like AI helps empower innovation while ensuring consumers gain the benefit of these new technologies.

To combat this fraud, the FTC has sued companies that made deceptive claims about AI to further their schemes.³⁷ For example, the FTC sued FBA Machine, a business opportunity scheme that allegedly took more than \$15.9 million from consumers by falsely promising that consumers would make guaranteed income through online storefronts that utilized AI-powered software.³⁸ Similarly, the FTC accused Ascend Ecom, an online business opportunity scheme, of falsely claiming its “cutting edge” AI-powered tools would help consumers quickly earn thousands of dollars a month in passive income by opening online storefronts. According to the complaint, the scheme defrauded consumers of at least \$25 million.³⁹ The FTC also charged Ecommerce Empire Builders, a business opportunity scheme, with falsely claiming to help consumers build an “AI-powered Ecommerce Empire” by participating in its training programs that can cost almost \$2,000 or by buying a “done for you” online storefront for tens of thousands of dollars. Litigation against all three of these business opportunity operations is ongoing.⁴⁰

In another case filed as part of Operation AI Comply, the FTC charged DoNotPay — a company that promoted its online subscription service as “the world’s first robot lawyer”— with deceptively promising that its service would allow consumers to “sue for assault without a lawyer” and “generate perfectly valid legal documents in no time.” The complaint alleged that the company did not conduct testing to determine whether its AI chatbot’s output was equal to the level of a human lawyer, and that the company itself did not hire or retain any attorneys. The FTC has finalized an order requiring DoNotPay to pay \$193,000 in monetary relief and notify consumers who subscribed to the service between 2021 and 2023 about the FTC settlement. The order also prohibits DoNotPay from advertising that its service performs like a real lawyer unless it has sufficient evidence to back up that claim.⁴¹

And in another case, the FTC alleged Workado, LLC promoted its AI Content Detector as “98 percent” accurate in detecting whether text was written by AI or human. But independent testing put the number at just 53 percent. The FTC finalized an order prohibiting Workado from

³⁷ Press Release, Fed. Trade Comm’n, FTC Announces Crackdown on Deceptive AI Claims and Schemes (Sept. 25, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/09/ftc-announces-crackdown-deceptive-ai-claims-schemes>.

³⁸ *Id.*

³⁹ *Id.*

⁴⁰ *Id.*

⁴¹ Press Release, Fed. Trade Comm’n, FTC Finalizes Order with DoNotPay That Prohibits Deceptive ‘AI Lawyer’ Claims, Imposes Monetary Relief, and Requires Notice to Past Subscribers (Feb. 11, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/02/ftc-finalizes-order-donotpay-prohibits-deceptive-ai-lawyer-claims-imposes-monetary-relief-requires>.

making any misleading representations about the effectiveness of its products and requiring Workado to notify all eligible consumers about the settlement.⁴²

8. Battling Unfair Ticket Practices

The Trump-Vance Administration is committed to protecting consumers from unfair ticket practices such as exorbitant scalping and fees that cause fans to be priced out of enjoying live entertainment. In 2016, Congress passed the BOTS Act which prohibits the circumvention of ticket issuer's security measures or purchasing rules. The FTC has brought several BOTS Act cases and will continue to police the marketplace for violations.⁴³ In accordance with Executive Order on *Combating Unfair Practices in the Live Entertainment Market*, the Commission will also work with the Department of Treasury and the Department of Justice to create and deliver a report summarizing actions taken to address unfair practices in the live concert and entertainment industry and recommending additional regulations or legislation needed to protect consumers. Finally, on January 10, 2025, the Commission published a final Rule on Unfair or Deceptive fees, which covers the live-event tickets and short-term lodging industries. The Rule becomes effective on May 12, 2025, and will, among other things, require businesses to clearly, conspicuously, and prominently display the total price for a live-event ticket.

9. Providing Consumer and Business Education

Part of the FTC's consumer protection mission includes consumer education and outreach to help people avoid scams and fraud, as well as guidance that gives businesses clarity and certainty about their compliance obligations under the law. By raising awareness of scam trends and delivering practical, user-friendly educational resources and information, the FTC seeks to help the American people spot, avoid, and report scams. As part of this educational outreach, the agency publishes information on spotting and avoiding common scams, online safety for parents and children, recovering from identity theft, as well as resources for small business owners.⁴⁴ The impact of these efforts enhance the agency's law enforcement mission, as evidenced by consumers who have reported spotting and avoiding scams after seeing FTC messaging.⁴⁵ Because fraud can affect anyone, the agency strives to reach all consumers through its relationships with trusted partners. These efforts include community media telebriefings, in-person roundtables, and media campaigns.⁴⁶

⁴² Press Release, Fed. Trade Comm'n, FTC Order Requires Workado to Back Up Artificial Intelligence Detection Claims (Apr. 28, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/04/ftc-order-requires-workado-back-artificial-intelligence-detection-claims>.

⁴³ Press Release, Fed. Trade Comm'n, FTC Brings First-Ever Cases Under the BOTS Act (Jan. 22, 2021), <https://www.ftc.gov/news-events/news/press-releases/2021/01/ftc-brings-first-ever-cases-under-the-bots-act>, <https://www.ftc.gov/pressroom/2021/01/ftc-brings-first-ever-cases-under-the-bots-act>.

⁴⁴ See FTC materials at <https://consumer.ftc.gov/>, <https://consumer.gov/>, and <https://www.ftc.gov/business-guidance/small-businesses>.

⁴⁵ See Consumer Alert, Fed. Trade Comm'n, Getting the word out about FTC imposter scams (Mar. 26, 2025), <https://consumer.ftc.gov/consumer-alerts/2025/03/getting-word-out-about-ftc-imposter-scams>.

⁴⁶ See, e.g. Business Alert, Fed. Trade Comm'n, Did your business receive a CID? The FTC means business (Mar. 10, 2025), <https://www.ftc.gov/business-guidance/blog/2025/03/did-your-business-receive-cid-ftc-means-business>; Business Alert, Fed. Trade Comm'n, BOTS Act compliance: Time for a refresher? (Apr. 11, 2025), <https://www.ftc.gov/business-guidance/blog/2025/04/bots-act-compliance-time-refresher>; and Business Alert, Fed. Trade Comm'n, Looking for an Employer Identification Number (EIN)? The FTC warns businesses and consumers

B. Enforcement Against Unlawful Data Security and Privacy Practices

The Commission enforces several sector-specific laws that touch on privacy and data security, such as the Gramm-Leach-Bliley Act's Privacy Rule and Safeguards Rule, the Controlling the Assault of Non-Solicited Pornography and Marketing (CAN-SPAM) Act, the Telemarketing Sales Rule (TSR), the Children's Online Privacy Protection Act (COPPA) and COPPA Rule, and the Fair Credit Reporting Act. Section 5 of the FTC Act, which prohibits unfair or deceptive trade practices, is another privacy and data security enforcement tool.⁴⁷ The Commission has brought privacy-related enforcement actions for more than three decades, settling more than 100 privacy cases and more than 170 TSR and CAN-SPAM cases. In addition to enforcement actions, the Commission has sought to increase understanding of emerging issues and technologies by holding workshops which invite stakeholders to share their various perspectives and conducting 6(b) studies. The FTC has also endeavored to educate businesses and consumers on data security and privacy issues.

1. Protecting Consumers from Unlawful Privacy Practices

The modern economy relies on the collection and transfer of vast amounts of data, but most of these transactions are opaque to consumers. Many companies go out of their way to prevent Americans from knowing how much of their private data is being collected, and what their private data is being used for. Where companies have misrepresented their data collection and use practices to consumers, or where data practices have caused substantial injury to consumers, the Commission has brought law enforcement actions. These actions include orders to ensure that the unlawful conduct will not recur.

2. Protecting Children and Teens

The collection, aggregation, disclosure, and retention of personal information poses real dangers to children. That is why Congress has been especially solicitous of children's privacy online. A quarter-century ago, Congress passed COPPA and directed the Commission to promulgate regulations. COPPA and the COPPA Rule apply to operators of websites and online services directed to, or with actual knowledge of the collection of personal information from, children under the age of thirteen. The Rule requires such operators to, among other things, provide direct and online notices to parents and obtain verifiable parental consent before collecting, using, or disclosing personal information from children under the age of thirteen. Some of the Commission's most valuable work has been the enforcement of COPPA and the COPPA Rule.

For that same reason, protecting children and teens online is similarly of paramount importance to the Trump-Vance FTC. The Commission recently approved a complaint and settlement with Cognosphere, LLC, the developer and operator of the popular "Genshin Impact"

to watch out for IRS imposters (Apr. 1, 2025), <https://www.ftc.gov/business-guidance/blog/2025/04/looking-employer-identification-number-ein-ftc-warns-businesses-consumers-watch-out-irs-imposters>.

⁴⁷ The Commission supports congressional efforts to create baseline privacy legislation that protects Americans online.

video game and referred the matter to the Department of Justice for filing.⁴⁸ The complaint alleges both that Genshin Impact is directed to children and that the Defendant had actual knowledge that it collected personal information from children but failed to give parents notice of its practices for personal information collected from children or to obtain verifiable parental consent before collecting children's personal information.⁴⁹

The Commission also approved a settlement with an anonymous internet messaging service marketed to teenagers and children under 13, called NGL Labs, LLC, and two of its cofounders.⁵⁰ In addition to allegations that NGL violated COPPA, the defendants are alleged to have violated Section 5 of the Federal Trade Commission Act by sending fake anonymous messages, many of them designed to be provocative (e.g., "I know what you did" and "I've had a crush on you for years and you still don't know lmao") to teenage users for the purpose of upselling those users on a paid membership that would supposedly allow them to discover the identity of the senders. The FTC has also recently provided guidance on "What to know about kids and video games, ads, and unexpected payments,"⁵¹ and "Parents: Talking to your kids about text scams."⁵²

The Commission is also dedicated to exploring other ways the FTC can protect children and support families. On June 4, the FTC is hosting a workshop entitled "The Attention Economy: How Big Tech Firms Exploit Children and Hurt Families."⁵³ The event will bring together parents, child safety experts, and government leaders to discuss how Big Tech companies impose addictive design features, erode parental authority, and fail to protect children from exposure to harmful content. Experts will also discuss concrete solutions to protect kids online, including age verification and parental consent requirements. The FTC looks forward to hearing from some of the leading policy experts in this space.

⁴⁸ FTC Press Release, Genshin Impact Game Developer Will be Banned from Selling Lootboxes to Teens Under 16 without Parental Consent, Pay a \$20 Million Fine to Settle FTC Charges (Jan. 17, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/01/genshin-impact-game-developer-will-be-banned-selling-lootboxes-teens-under-16-without-parental>. See also FTC Consumer Alert, FTC settlement order bans sales of Genshin Impact loot boxes to kids under 16 without their parents' consent, <https://consumer.ftc.gov/consumer-alerts/2025/01/ftc-settlement-order-bans-sales-genshin-impact-loot-boxes-kids-under-16-without-their-parents>.

⁴⁹ Although Chairman Ferguson dissented from a number of the counts in that case, he voted for the matter because of the severity of the alleged violations of COPPA.

⁵⁰ Press Release, FTC Order Will Ban NGL Labs and its Founders from Offering Anonymous Messaging Apps to Kids Under 18 and Halt Deceptive Claims Around AI Content Moderation (July 9, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/07/ftc-order-will-ban-ngl-labs-its-founders-offering-anonymous-messaging-apps-kids-under-18-halt>. See also Consumer Alert, Anonymous messaging app NGL barred from marketing to kids, must refund unauthorized charges. (July 9, 2024), <https://consumer.ftc.gov/consumer-alerts/2024/07/anonymous-messaging-app-ngl-barred-marketing-kids-must-refund-unauthorized-charges>.

⁵¹ FTC, What to know about kids and video games, ads, and unexpected payments (April 10, 2025), <https://consumer.ftc.gov/consumer-alerts/2025/04/what-know-about-kids-and-video-games-ads-and-unexpected-payments>.

⁵² FTC, Parents: Talking to your kids about text scams (March 31, 2025), <https://consumer.ftc.gov/consumer-alerts/2025/03/parents-talking-your-kids-about-text-scams>.

⁵³ FTC, *FTC Reschedules its Attention Economy Workshop for June 4* (Apr. 16, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/04/ftc-reschedules-its-attention-economy-workshop-june-4>; FTC, *FTC to Hold Workshop on May 28 on The Attention Economy: How Big Tech Firms Exploit Children and Hurt Families* (Mar. 25, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/03/ftc-hold-workshop-may-28-attention-economy-how-big-tech-firms-exploit-children-hurt-families>.

3. Strengthening Data Security

The Commission brought its first data security case under Section 5 of the FTC Act in 2002 under the leadership of Chairman Timothy J. Muris.⁵⁴ As Chairman Muris stated at the time: “Companies that promise to keep personal information secure must follow reasonable and appropriate measures to do so. It’s not only good business, it’s the law.” Since then, the Commission has brought approximately 90 data security cases based upon alleged violations of Section 5 of the FTC Act and other applicable laws that the Commission enforces.

A recent data security case involves one of the world’s largest website hosting companies, GoDaddy LLC.⁵⁵ GoDaddy’s data-security failures resulted in several major security breaches between 2019 and 2022 in which bad actors gained unauthorized access to customers’ websites and data. These breaches exposed consumers visiting the websites to risks, including that consumers were redirected to malicious websites.

C. Protecting Workers, Entrepreneurs, and Small Businesses

American workers and small businesses are consumers too, and the Commission is taking a comprehensive approach — through enforcement and advocacy — to ensure that they are not held back by unfair or deceptive practices. In addition, the FTC recently launched a joint Labor Task Force across its bureaus and offices to protect American Workers.⁵⁶ The Task Force will work to prioritize rooting out and prosecuting deceptive, unfair, and anticompetitive labor-market practices.⁵⁷ Its efforts are well underway.

1. Protecting Businesses from Unfair or Deceptive Practices

To protect small businesses from unscrupulous lenders and other financing schemes, the Commission has brought several actions against marketers of small business funding services.⁵⁸

⁵⁴ FTC Press Release, Microsoft Settles FTC Charges Alleging False Security and Privacy Promises (Aug. 8, 2002), <https://www.ftc.gov/news-events/news/press-releases/2002/08/microsoft-settles-ftc-charges-alleging-false-security-privacy-promises>.

⁵⁵ FTC Press Release, FTC Takes Action Against GoDaddy for Alleged Lax Data Security for Its Website Hosting Services (Jan. 15, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/01/ftc-takes-action-against-godaddy-alleged-lax-data-security-its-website-hosting-services>.

⁵⁶ Press Release, Fed. Trade Comm’n, FTC Launches Joint Labor Task Force to Protect American Workers (Feb. 26, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/02/ftc-launches-joint-labor-task-force-protect-american-workers>.

⁵⁷ *Id.* (“The task force will focus on, for example, prioritizing investigations and prosecutions of deceptive, unfair, or anticompetitive labor market conduct and coordinating all such actions across the Bureaus, creating information-sharing protocols across the FTC’s Bureaus and offices to exchange best practices for uncovering and investigating such conduct, and promoting research regarding harmful labor market practices to inform the FTC and the public.”)

⁵⁸ Complaint, *FTC v. Seek Capital, LLC*, No. 2:24-cv-09511-RGK-MAA (C.D. Cal. 2024), https://www.ftc.gov/system/files/ftc_gov/pdf/seek_complaint.pdf; First Amended Complaint, *FTC v. RCG Advances, LLC*, No. 1:20-cv-04432-JSR (S.D.N.Y. 2020), <https://www.ftc.gov/system/files/documents/cases/x200045rcgamendedcomplaint.pdf>; Complaint, *FTC v.*

For example, in February 2024, the Commission was awarded \$20.3 million for consumer refunds and civil penalties following its first jury trial in its law enforcement action against merchant cash operator Jonathan Braun, the principal of RCG Advances.⁵⁹ In addition, the court barred the defendants from the merchant cash advance industry and from debt collection.⁶⁰ The Commission has also been active in bringing law enforcement actions against companies that impersonate other businesses.⁶¹ For example, in April 2025, the Commission charged a debt collection operation with violating the Trade Regulation Rule on Impersonation of Government and Businesses for falsely claiming affiliation with numerous lenders.⁶²

2. Ensuring Domestic Manufacturers Can Compete Fairly

The Trump-Vance FTC will vigorously pursue marketers making false “Made in USA” claims. In 2024, the Commission announced its largest-ever action targeting deceptive Made in USA claims. In an action against Williams-Sonoma, the Commission secured a \$3 million civil penalty and strong injunctive relief to prevent further deception.⁶³ The case followed previous actions, such as a complaint charging tractor maker Kubota North America Corporation with deceptively labeling thousands of imported replacement parts as Made in USA. That action resulted in a \$2 million civil penalty.⁶⁴ Other recent Made in USA actions have involved

Yellowstone Capital LLC, No. 1:20-cv-06023 (S.D.N.Y. 2020),

<https://www.ftc.gov/system/files/documents/cases/1823202yellowstonecomplaint.pdf>.

⁵⁹ Press Release, Fed. Trade Comm’n, Court Enters \$20.3 Million Judgment in FTC Case Against Merchant Cash Advance Operator Jonathan Braun for Deceiving Small Businesses and Unlawfully Seizing Assets (Feb. 14, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/02/court-enters-203-million-judgment-ftc-case-against-merchant-cash-advance-operator-jonathan-braun>.

⁶⁰ Press Release, Fed. Trade Comm’n, FTC Case Leads to Permanent Ban Against Merchant Cash Advance Owner for Deceiving Small Businesses, Seizing Personal and Business Assets (Oct. 30, 2023), <https://www.ftc.gov/news-events/news/press-releases/2023/10/ftc-case-leads-permanent-ban-against-merchant-cash-advance-owner-deceiving-small-businesses-seizing>. Previously, the court entered settlements with the other defendants containing similar relief. Press Release, Fed. Trade Comm’n, FTC Action Results in Ban for Richmond Capital and Owner From Merchant Cash Advance and Debt Collection Industries and Return of More Than \$2.7M to Consumers (Jun. 6, 2022), <https://www.ftc.gov/news-events/news/press-releases/2022/06/ftc-action-results-ban-richmond-capital-owner-merchant-cash-advance-debt-collection-industries>; Press Release, Fed. Trade Comm’n, Merchant Cash Advance Providers Banned from Industry, Ordered to Redress Small Businesses (Jan. 5, 2022), <https://www.ftc.gov/news-events/news/press-releases/2022/01/merchant-cash-advance-providers-banned-industry-ordered-redress-small-businesses>.

⁶¹ Complaint, *FTC v. Blackrock Services, Inc.*, No. 8:25-cv-00363-HDV-ADSx (C.D. Cal. 2025), https://www.ftc.gov/system/files/ftc_gov/pdf/Blackstone-Complaint.pdf.

⁶² Press Release, Fed. Trade Comm’n, FTC to Ban Debt Collector Who Allegedly Coerced Consumers into Paying Debt They Didn’t Owe (May 1, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/05/ftc-ban-debt-collector-who-allegedly-coerced-consumers-paying-debt-they-didnt-owe>

⁶³ Press Release, Fed. Trade Comm’n, Williams-Sonoma Will Pay Record \$3.17 Million Civil Penalty for Violating FTC Made in USA Order (Apr. 26, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/04/williams-sonoma-will-pay-record-317-million-civil-penalty-violating-ftc-made-usa-order>.

⁶⁴ *U.S. v. Kubota North America Corp.*, No. 3:24-cv-00159-S (N.D. Tex. Jan 25, 2024).

companies making false claims for imported textile products,⁶⁵ glass baking products,⁶⁶ and motocross parts.⁶⁷

The Commission will also continue to return significant funds to consumers deceived by these claims whenever possible.⁶⁸

3. Vigorously Enforcing the Franchise Rule to Protect Consumers

The agency has an integrated approach to franchise issues, undertaking enforcement, policy initiatives, and consumer and business education. For example, last fall the Commission sued a coffee shop franchise and its founders for failing to disclose critical information required by the Franchise Rule and for violations of the FTC Act.⁶⁹ Shortly thereafter, the court entered a stipulated permanent injunction against the defendants.⁷⁰ In addition, in 2022, we partnered with the Department of Justice (“DOJ”) to file a suit against a fast-food franchise chain, alleging that the chain made false promises and withheld information required by the Franchise Rule to persuade more than 1,500 consumers, some of them veterans, to purchase franchises.⁷¹ In November 2023, the court entered a stipulated permanent injunction against the individual defendant⁷² and in January 2024, the court entered a default judgment against the corporate defendants.⁷³

The FTC has also sought to provide education and guidance to consumers and businesses regarding franchises. In 2023, the FTC launched the consumer education blog series entitled Franchise Fundamentals in which the FTC highlights factors for prospective franchisees to consider when deciding whether to purchase a franchise. The five-part blog series covered: (1) debunking certain myths about being a franchisee; (2) researching franchise opportunities; (3) a review of the items listed in franchise disclosure documents; (4)

⁶⁵ See *In re Lions Not Sheep Products, LLC*, No. C-4772 (July 28, 2022), https://www.ftc.gov/system/files/ftc_gov/pdf/C4772%20Decision%20and%20Order.pdf (imported apparel products relabeled as “Made in USA”); *In re Electrowarmth Products, LLC*, No. C-4779 (Oct. 25, 2022) (imported bedding products entering the USA pre-labeled as “Made in USA”).

⁶⁶ *In re Instant Brands LLC*, Docket No. C-4788 (Mar. 1, 2023) (imported glass measuring cups advertised as “Made in USA”).

⁶⁷ *In re Cycra, Inc.*, Docket No. C-4794 (May 2023).

⁶⁸ See, e.g., *In re Lions Not Sheep Products, LLC*, No. C-4772.

⁶⁹ Press Release, Fed. Trade Comm’n, FTC Takes Action Against Qargo Coffee for Franchise Rule Violations (Oct. 16, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/10/ftc-takes-action-against-qargo-coffee-franchise-rule-violations>.

⁷⁰ *FTC v. Qargo Coffee, Inc. et al.*, No. 24cv23978 (Oct. 16, 2024). Among other things, the order includes a monetary judgment of more than \$1,258,575 and injunctive relief, including a prohibition on enforcing or threatening to enforce any noncompete agreement or provision against certain franchisees or licensees.

⁷¹ Press Release, Fed. Trade Comm’n, FTC Sues Burger Franchise Company That Targets Veterans and Others with False Promises and Misleading Documents (Feb. 8, 2023), <https://www.ftc.gov/news-events/news/press-releases/2022/02/ftc-sues-burger-franchise-company-targets-veterans-others-false-promises-misleading-documents>.

⁷² *FTC v. BurgerIM Group USA, Inc., et al.*, No. CV 22-825 (Feb. 7, 2022). Among other things, the order bans defendant Loni from selling franchises and includes a suspended monetary judgment of more than \$38,000,000 in consumer redress and \$5,000,000 in civil penalties.

⁷³ *Id.* The order, among other things, bans the defendants from selling franchises and includes a monetary judgment of more than \$48,000,000 for consumer redress and \$7,750,000 in civil penalties.

key steps prospective franchisees should take before joining a franchise; and (5) reducing risk and reporting to the FTC.

IV. COMPETITION MISSION

The FTC uses the resources provided by Congress to discharge its statutory duties, while maximizing the agency's effectiveness, to protect the American public from anticompetitive conduct and prevent harmful collusion and consolidation.

Our competition mission is driven by the tenet that vigorous antitrust enforcement is critical to growing a dynamic economy, as well as to our shared prosperity and liberty. Recent decades have shown how Americans lose out when markets become more consolidated and less competitive. Prices rise, wages fall, quality declines, innovation suffers, and our markets become more fragile and less resilient. This is why the Bureau of Competition focuses on reviewing mergers and acquisitions and on addressing anticompetitive conduct, which remains a top priority under this administration. The Commission will continue to pursue existing investigations and open new ones when we believe competition is threatened.

One of the Commission's top priorities is reviewing proposed transactions reported to the antitrust agencies under the Hart-Scott-Rodino Act, 15 U.S.C. §18a. The newly revised HSR Form became effective in February this year following a three-year bipartisan effort to make premerger review more effective and efficient. This will be an important tool for us to identify proposed acquisitions that warrant an in-depth investigation quickly and confidently.⁷⁴ Just as important, the Commission has resumed granting early termination for those deals that we can quickly determine pose no risk to competition. The Commission has no interest in being a roadblock or even a speed bump for M&A transactions that do not present competition issues.

To promote stability and provide clear guidance to the market, I announced that the 2023 Merger Guidelines remain in effect.⁷⁵ The Commission must also ensure that we are accounting for all the stakeholders that benefit from vigorous and dynamic markets, and that includes workers. For too long, the antitrust agencies ignored the potential for mergers or other business arrangements to harm workers. Anticompetitive mergers and conduct can deprive individuals of opportunities to flourish, to make the most of their talent, and to profit from their skills and hard work. Antitrust enforcers have an obligation to protect workers and support strong, competitive markets for their labor.

As discussed earlier, my first new competition priority directed the Bureau of Competition, the Bureau of Consumer Protection, the Bureau of Economics, and the Office of Policy Planning, to form a Joint Labor Task Force. The Task Force will be responsible for: investigating and litigating anticompetitive labor market conduct; creating an information-sharing protocol across the FTC to exchange best practices for investigations; promoting research on labor markets and disseminating those findings throughout the FTC and to the

⁷⁴ Press Release, Fed. Trade Comm'n, FTC Finalizes Changes to Premerger Notification Form (Oct. 10, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/10/ftc-finalizes-changes-premerger-notification-form>.

⁷⁵ Press Release, Fed. Trade Comm'n, FTC Chairman Andrew N. Ferguson Announces that the FTC and DOJ's Joint 2023 Merger Guidelines Are in Effect (Feb. 18, 2025) <https://www.ftc.gov/news-events/news/press-releases/2025/02/ftc-chairman-andrew-n-ferguson-announces-ftc-doj-joint-2023-merger-guidelines-are-effect>.

public; and engaging in public outreach to inform workers of the state of the law and to encourage workers to report anticompetitive labor market conduct to the FTC.⁷⁶

Overall, the FTC's competition work emphasizes lower prices for consumers and job creation for workers by protecting them from monopolies and undue concentration. Next, I will turn to discussing key programmatic areas for antitrust enforcement and policy work that puts American consumers first and promotes a vibrant economy.

A. Targeting Anticompetitive Conduct for Maximum Impact

The Commission continues to target root causes of anticompetitive conduct and tackle the most significant harms across markets, particularly by dominant firms whose business practices affect many Americans.

This is an unprecedented time for the Commission: we are currently prosecuting four monopolization cases in federal court against some of the largest companies in the world. For instance, FTC staff is in the midst of a historic trial against Meta, a lawsuit that began during the first Trump administration and that, in addition to other forms of relief, seeks the divestiture of Instagram and WhatsApp.⁷⁷ After five years of protracted pretrial proceedings, FTC staff is adducing evidence that highlights the competitive importance of data and notes that privacy degradation can constitute an antitrust harm—an aspect of competition highlighted by the court when it denied Meta's motion to dismiss the FTC's case.⁷⁸

The Commission has joined with 17 state attorneys general in a monopolization lawsuit against Amazon, alleging that the company has engaged in a course of exclusionary conduct to maintain its monopoly in the online superstore and the online marketplace services markets.⁷⁹ The complaint alleges that Amazon's conduct has stopped sellers from lowering prices, degraded quality for shoppers, overcharged sellers, stifled innovation, and prevented rivals from fairly competing. These alleged tactics include anti-discounting measures that deter online sellers from offering lower prices than Amazon, maintaining higher prices for products across the internet, and conditioning online vendors' ability to obtain Prime status on the use of Amazon's costly fulfillment services.

Last September, the court denied Amazon's motion to dismiss the FTC's claims, allowing the case to proceed to pretrial discovery. As the court explained, the FTC's complaint plausibly alleges that through a number of business practices, "Amazon actively deters third-

⁷⁶ Press Release, Fed. Trade Comm'n, FTC Launches Joint Labor Task Force to Protect American Workers (Feb. 22, 2025), https://www.ftc.gov/system/files/ftc_gov/pdf/memorandum-chairman-ferguson-re-labor-task-force-2025-02-26.pdf.

⁷⁷ Press Release, Fed. Trade Comm'n, FTC Alleges Facebook Resorted to Illegal Buy-or-Bury Scheme to Crush Competition After String of Failed Attempts to Innovate (Aug. 19, 2021), <https://www.ftc.gov/news-events/news/press-releases/2021/08/ftc-alleges-facebook-resorted-illegal-buy-or-bury-scheme-crush-competition-after-string-failed>.

⁷⁸ *FTC v. Facebook, Inc.*, 581 F. Supp. 3d 34 (D.D.C. 2022).

⁷⁹ Press Release, Fed. Trade Comm'n, FTC Sues Amazon for Illegally Maintaining Monopoly Power (Sept. 26, 2023), <https://www.ftc.gov/news-events/news/press-releases/2023/09/ftc-sues-amazon-illegally-maintaining-monopoly-power>.

party sellers from offering lower prices for their products on sites other than Amazon’s,” which is sufficient to state claim under Section 2 of the Sherman Act.⁸⁰ In April 2025, the court also rejected Amazon’s arguments that the FTC must also initiate administrative proceedings, finding that the FTC has the authority under Section 13(b) of the FTC Act to bring an action in federal court for a permanent injunction.⁸¹

It is vitally important that the FTC continue to scrutinize digital markets, recognizing the enormous power that these technology companies wield and the scope of their influence on the lives of ordinary Americans. Dominant digital platforms have captured control over key arteries of commerce and communications in ways that can undermine competition. The FTC’s work in digital markets recognizes the critical role of data, network externalities, moat-building strategies, and other key factors to ensure that our enforcement is reflecting commercial realities.

Preventing the abuse of monopoly power that harms American farmers also continues to be a priority for the Commission. The FTC continues to pursue a case it filed in September 2022 with a bipartisan coalition of ten state attorneys general that charges the two largest pesticides manufacturers, Syngenta and Corteva, with maintaining their monopoly positions by paying distributors to block competitors from selling farmers their cheaper generic products.⁸² The complaint alleges that Syngenta Crop Protection and Corteva, Inc. rely on pay-to-block schemes in which distributors get paid only if they limit their dealings with competing manufacturers. In January 2024, the court denied the defendants’ motion to dismiss, finding that complaint plausibly alleges that defendants’ use of loyalty discounts “exacerbates the already high costs to enter the market by locking up access to the most efficient channel of distribution.”⁸³ This matter is pending in federal court in North Carolina.

The Commission is also pursuing monopolization claims against Deere & Co., alleging that Deere has forced farmers who rely on its equipment to use only authorized dealers for needed repairs. As agricultural equipment becomes increasingly complex, repairs require access to not just parts but also software tools to diagnose a problem and get the machinery back into the field to avoid lengthy downtime that may affect yields and profits for farmers. In its complaint, which is joined by the states of Illinois and Minnesota, the FTC alleges that Deere maintained its monopoly for repair of certain large agricultural equipment by making a key diagnostic tool available only to Deere dealers, denying farmers the ability to repair their own equipment or choose their preferred service provider. This matter is pending in federal court in Illinois.

The Commission also voted to bring an administrative action against the three largest pharmacy benefit managers (PBMs)—Caremark Rx, Express Scripts, and OptumRx—and their affiliated group purchasing organizations (GPOs) for allegedly engaging in anticompetitive and unfair rebating practices that have artificially inflated the list price of insulin drugs, impaired

⁸⁰ *FTC v. Amazon.com, Inc.*, No. 2:23-cv-01495 (W.D. Wash.) (opinion at 17 Sept. 30, 2024).

⁸¹ *FTC v. Amazon.com, Inc.*, No. 2:23-cv-01495 (W.D. Wash.) (order Apr. 8, 2025).

⁸² Press Release, Fed. Trade Comm’n, FTC and State Partners Sue Pesticide Giants Syngenta and Corteva for Using Illegal Pay-to-Block Scheme to Inflate Prices for Farmers (Sept. 29, 2022), <https://www.ftc.gov/news-events/news/press-releases/2022/09/ftc-state-partners-sue-pesticide-giants-syngenta-corteva-using-illegal-pay-block-scheme-inflate>.

⁸³ *FTC v. Syngenta Crop Protection AG*, 711 F. Supp. 3d 545, 577 (M.D.N.C. 2024).

patients' access to lower list price products, and shifted the cost of high insulin list prices to vulnerable patients. As the FTC alleges in its complaint, Americans are paying too much for prescription drugs, including life-saving drugs like insulin. Prescription drug prices in the U.S. are nearly three times higher than in other countries. The complaint also alleges that many Americans struggle to afford the medications they need to survive and that PBMs and their respective GPOs have abused their economic power by rigging pharmaceutical supply chain competition in their favor. This case is proceeding administratively, and the Commission remains openminded about the facts and the laws at issue.

B. Prioritizing Vigorous Merger Enforcement to Combat Consolidation

Preventing mergers and acquisitions that violate federal antitrust law is critically important and enormously demanding work for the Commission. Over the last several years, the FTC has moved to challenge major transactions in sectors across the economy, including retail and grocery, energy, healthcare, mortgage technology, and digital markets.⁸⁴ This includes filing suits to block mergers outright,⁸⁵ as well as scrutinizing other anticompetitive mergers that parties have abandoned or restructured after the agency indicated competition concerns but before it filed a complaint.⁸⁶

⁸⁴ Fed. Trade Comm'n & Dep't of Justice, Hart-Scott-Rodino Annual Rep. Fiscal Year 2022 (2023), https://www.ftc.gov/system/files/ftc_gov/pdf/p110014fy2021hsrannualreport.pdf.

⁸⁵ Press Release, Fed. Trade Comm'n, FTC Moves to Block Tapestry's Acquisition of Capri (Apr. 22, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/04/ftc-moves-block-tapestrys-acquisition-capri>; Press Release, Fed. Trade Comm'n, FTC Challenges Kroger's Acquisition of Albertsons (Feb. 26, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/02/ftc-challenges-krogers-acquisition-albertsons>; Press Release, Fed. Trade Comm'n, FTC Sues to Block Novant Health's Acquisition of Two Hospitals from Community Health Systems (Jan. 25, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/01/ftc-sues-block-novant-healths-acquisition-two-hospitals-community-health-systems>; Press Release, Fed. Trade Comm'n, FTC Seeks to Block Sanofi's Acquisition of Rare Disease Drug that Threatens Sanofi's Monopoly (Dec. 11, 2023), <https://www.ftc.gov/news-events/news/press-releases/2023/12/ftc-seeks-block-sanofis-acquisition-rare-disease-drug-threatens-sanofis-monopoly>; Press Release, Fed. Trade Comm'n, FTC Sues to Block John Muir Health's Takeover of San Ramon Regional Medical Center (Nov. 17, 2023), <https://www.ftc.gov/news-events/news/press-releases/2023/11/ftc-sues-block-john-muir-healths-takeover-san-ramon-regional-medical-center>; Press Release, Fed. Trade Comm'n, FTC Sues to Block IQVIA's Acquisition of Propel Media to Prevent Increased Concentration in Health Care Programmatic Advertising (July 17, 2023), <https://www.ftc.gov/news-events/news/press-releases/2023/07/ftc-sues-block-iquvias-acquisition-propel-media-prevent-increased-concentration-health-care>; Press Release, Fed. Trade Comm'n, FTC Sues to Block Biopharmaceutical Giant Amgen from Acquisition That Would Entrench Monopoly Drugs Used to Treat Two Serious Illnesses (May 16, 2023), <https://www.ftc.gov/news-events/news/press-releases/2023/05/ftc-sues-block-biopharmaceutical-giant-amgen-acquisition-would-entrench-monopoly-drugs-used-treat>; Press Release, Fed. Trade Comm'n, FTC Acts to Block Deal Combining the Two Top Mortgage Loan Technology Providers (Mar. 9, 2023), <https://www.ftc.gov/news-events/news/press-releases/2023/03/ftc-acts-block-deal-combining-two-top-mortgage-loan-technology-providers>; Press Release, Fed. Trade Comm'n, FTC Seeks to Block Microsoft Corp.'s Acquisition of Activision Blizzard, Inc. (Dec. 8, 2022), <https://www.ftc.gov/news-events/news/press-releases/2022/12/ftc-seeks-block-microsoft-corps-acquisition-activision-blizzard-inc>.

⁸⁶ See, e.g., Press Release, Fed. Trade Comm'n, FTC Statement on Amendment to Global Partners, Gulf Oil Acquisition (Apr. 9, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/04/ftc-statement-amendment-global-partners-gulf-oil-acquisition>; Press Release, Fed. Trade Comm'n, Statement Regarding the

In the most recent merger enforcement action, the Commission authorized staff to seek a preliminary injunction to prevent the private investor GTCR from acquiring Surmodics, a deal that would combine the two largest manufacturers of critical medical device coatings.⁸⁷ The complaint charges that the proposed acquisition would violate Section 7 of the Clayton Act by creating a combined company controlling more than 50 percent of the market for outsourced hydrophilic coatings. According to the complaint, these coatings are often used by medical device manufacturers and are applied to lifesaving medical devices such as catheters and guidewires. The Commission's suit for a preliminary injunction is pending in federal court in the Northern District of Illinois.⁸⁸

The Commission is particularly concerned about mergers that may cause widespread consumer harm. The FTC recently blocked the largest proposed supermarket merger in U.S. history—Kroger's \$24.6 billion acquisition of Albertsons.⁸⁹ In its complaint, the FTC alleged that the proposed deal would eliminate fierce competition between Kroger and Albertsons, leading to higher prices for groceries and other essential household items for millions of Americans and to lower quality products and services, while also narrowing consumers' choices for where to shop for groceries. The complaint also alleged that the proposed acquisition would immediately erase aggressive competition for workers, threatening the ability of employees to secure higher wages, better benefits, and improved working conditions. The federal court in Oregon ultimately ruled in favor of the Commission and issued a preliminary injunction to stop the merger. The parties subsequently abandoned their merger plans.

The FTC also went to court to block Tapestry, Inc.'s proposed acquisition of Capri Holdings Limited,⁹⁰ a transaction that would have combined Tapestry's Coach and Kate Spade branded products with Capri's Michael Kors branded products. The FTC's complaint alleged that the merger would eliminate important ongoing competition, including competition on price, discounts and promotions, innovation, design, marketing, and advertising. After a trial on the FTC's motion, the federal court issued an injunction and a 169-page decision that begins with

Termination of Qualcomm's Proposed Acquisition of Autotalks (Mar. 25, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/03/statement-regarding-termination-qualcomms-proposed-acquisition-autotalks>; Press Release, Fed. Trade Comm'n, Statement Regarding the Termination of Choice Hotel's Proposed Takeover of Wyndham Hotels & Resorts (Mar. 12, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/03/statement-regarding-termination-choice-hotels-proposed-takeover-wyndham-hotels-resorts>; Press Release, Fed. Trade Comm'n, Statement Regarding the Termination of Amazon's Proposed Acquisition of iRobot (Jan. 31, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/01/statement-regarding-termination-amazons-proposed-acquisition-irobot>.

⁸⁷ Press Release, Fed. Trade Comm'n, FTC Challenges Medical Device Coatings Deal (Mar. 6, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/03/ftc-challenges-medical-device-coatings-deal>.

⁸⁸ The Commission voted to amend the complaint to add the states of Illinois and Minnesota as co-plaintiffs to the action. See Press Release, Fed. Trade Comm'n, "Illinois and Minnesota Join FTC Lawsuit Challenging Medical Device Coatings Deal," (Apr. 17, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/04/illinois-minnesota-join-ftc-lawsuit-challenging-medical-device-coatings-deal>.

⁸⁹ Press Release, Fed. Trade Comm'n, FTC Challenges Kroger's Acquisition of Albertsons (Feb. 26, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/12/statement-ftc-victory-securing-halt-kroger-albertsons-grocery-merger>.

⁹⁰ Press Release, Fed. Trade Comm'n, FTC Moves to Block Tapestry's Acquisition of Capri (Apr. 22, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/04/ftc-moves-block-tapestrys-acquisition-capri>.

this apt observation: “Antitrust has come into fashion.”⁹¹ The court found that the merging parties are close competitors such that the merger would result in the loss of head-to-head competition, forcing women to pay more for important consumer products. Soon after, the parties abandoned their merger plans.

The Commission remains committed to stopping illegal mergers in vital markets for healthcare services.⁹² Those mergers threaten patients with higher cost and lower quality care⁹³ and healthcare workers with lower wages and poorer working conditions. These deals can often affect competition on a local basis, with significant impact on patients who look for healthcare providers close to home. For instance, the Commission successfully blocked John Muir Health’s proposed \$142.5 million acquisition of sole ownership rights in San Ramon Regional Medical Center, a rival hospital that also provides care to patients in California’s I-680 corridor. In a joint complaint filed with the California Attorney General, the Commission alleged the deal would allow John Muir to demand higher rates at its two hospitals as well as San Ramon Medical for inpatient general acute care services, which covers a broad range of essential medical, surgical, and diagnostic services that require an overnight hospital stay. Soon after the Commission filed suit, the companies abandoned their plans.⁹⁴ Just a few months later, the Commission successfully blocked Novant Health’s proposed \$320 million acquisition of two North Carolina hospitals in the Lake Norman area. The FTC alleged that the acquisition would reduce competition and lead to higher rates for patients in the region. A federal court of appeals denied a stay pending appeal, and the companies proceeded to abandon the proposed transaction.⁹⁵

⁹¹ *FTC v. Tapestry, Inc.*, No. 1:24-cv-03109 (opinion Oct. 24, 2024).

⁹² See, e.g., Press Release, Fed. Trade Comm’n, FTC Sues to Block Merger Between Utah Healthcare Rivals HCA Healthcare and Steward Health Care System (June 2, 2022), <https://www.ftc.gov/news-events/news/press-releases/2022/06/ftc-sues-block-merger-between-utah-healthcare-rivals-hca-healthcare-steward-health-care-system>; Press Release, Fed. Trade Comm’n, Federal Trade Commission Opposition to Transaction Leads New Jersey Healthcare Rivals RWJBarnabas Health and Saint Peter’s Healthcare System to Abandon Proposed Merger (June 14, 2022), <https://www.ftc.gov/news-events/news/press-releases/2022/06/federal-trade-commission-opposition-transaction-leads-new-jersey-healthcare-rivals-rwjbarnabas>. Additionally, the two largest healthcare systems in Rhode Island, Lifespan Corp. and Care New England Health System, called off their merger after the FTC, in conjunction with the Rhode Island Attorney General, sought to block the merger. See Press Release, Fed. Trade Comm’n, Statement Regarding Termination of Attempted Merger of Rhode Island’s Two Largest Healthcare Providers (Mar. 2, 2022), <https://www.ftc.gov/news-events/news/press-releases/2022/03/statement-regarding-termination-attempted-merger-rhode-islands-two-largest-healthcare-providers>.

⁹³ See, e.g., Zack Cooper et al., *The Price Ain’t Right? Hospital Prices and Health Spending on the Privately Insured*, 134 Q.J. ECON. 51 (2019); Nancy Beaulieu et al., *Changes in Quality of Care after Hospital Mergers and Acquisitions*, 382 NEW ENG. J. MED. 51 (2020). For surveys of the research literature, see, e.g., Martin Gaynor & Robert Town, *The Impact of Hospital Consolidation*, THE SYNTHESIS PROJECT, ROBERT WOOD JOHNSON FOUNDATION (June 2012), http://www.rwjf.org/content/dam/farm/reports/issue_briefs/2012/rwjf73261; Martin Gaynor, Kate Ho & Robert Town, *The Industrial Organization of Health-Care Markets*, 53 J. ECON. LITERATURE 235 (2015).

⁹⁴ See Press Release, Fed. Trade Comm’n, Statement Regarding the Termination of John Muir’s Takeover of San Ramon Regional Medical Center from Tenet Healthcare (Dec. 18, 2023), <https://www.ftc.gov/news-events/news/press-releases/2023/12/statement-regarding-termination-john-muir-takeover-san-ramon-regional-medical-center-tenet>.

⁹⁵ See Press Release, Fed. Trade Comm’n, Statement Regarding the Termination of Novant Health’s Acquisition of Hospitals from Community Health Systems (July 1, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/07/statement-regarding-termination-novant-healths-acquisition-hospitals-community-health-systems>.

The Commission is also attentive to the impact that a series of smaller acquisitions can have for patients. In 2023, the Commission sued Welsh Carson and its portfolio company U.S. Anesthesia Partners (USAP) for acquiring a number of independent anesthesia practices in the Houston and Dallas-Fort Worth metropolitan areas.⁹⁶ The complaint alleges that these acquisitions gave USAP monopoly power, and it used that monopoly power to increase the prices above competitive levels. That conduct, the complaint alleged, violated Section 2 of the Sherman Act and Section 5 of the FTC Act, as well as Section 7 of the Clayton Act. The court upheld the claims against USAP in the face of several statutory and constitutional arguments, finding “USAP acquired at least 15 anesthesia groups over the last 12 years. USAP continues to hold these companies. Even though the acquisitions themselves have closed, maintaining the assets of these companies could constitute a violation of antitrust law appropriately pursued under Section 13(b).”⁹⁷ Although the federal court dismissed Welsh Carson from the case, the company subsequently agreed to an FTC order limiting its ownership rights in USAP and requiring it to obtain prior approval for future investments in certain healthcare providers.⁹⁸ The federal court case involving USAP is pending in the Southern District of Texas.

As a complement to its merger litigation efforts, the FTC is also reassessing the efficacy of its approach to merger remedies. That includes the possibility that the parties could resolve the Commission’s concerns about the likely effects of a proposed merger without resorting to costly and time-consuming litigation. In other words, the Commission is open to settlement offers that eliminate the possibility that the proposed acquisition could cause harm to market participants. Here too the Commission will rely on its experience in fashioning effective remedies and will be clear about what is expected in any consent order.

The Commission has also made clear that companies must take seriously their obligation to comply with the Commission’s orders. In December 2022, the Commission sued 7-Eleven, Inc., alleging that the convenience store chain violated a 2018 FTC consent order by acquiring a fuel outlet in St. Petersburg, Florida without first providing notice to the Commission.⁹⁹ The consent order stemmed from 7-Eleven’s \$3.3 billion acquisition from Sunoco of more than 1,000 retail fuel outlets with attached convenience stores. The FTC is seeking civil penalties for 7-Eleven’s violation of the consent order to protect the public interest and deter 7-Eleven, a serial acquirer of retail fuel outlets, and others from flouting future consent orders. A federal judge recently denied the 7-Eleven’s motion to dismiss, finding that the Commission acted within its authority under Section 5(l) of the FTC Act.¹⁰⁰

⁹⁶ Press Release, Fed. Trade Comm’n, FTC Challenges Private Equity Firm’s Scheme to Suppress Competition in Anesthesiology Practices Across Texas (Sept. 21, 2023), <https://www.ftc.gov/news-events/news/press-releases/2023/09/ftc-challenges-private-equity-firms-scheme-suppress-competition-anesthesiology-practices-across>.

⁹⁷ *FTC v. U.S. Anesthesia Partners, Inc.*, No. 4:23-cv-03560 (S.D.Tx) (opinion May 13, 2024).

⁹⁸ Press Release, Fed. Trade Comm’n, FTC Secures Settlement with Private Equity Firm in Antitrust Roll-Up Scheme Case, <https://www.ftc.gov/news-events/news/press-releases/2025/01/ftc-secures-settlement-private-equity-firm-antitrust-roll-scheme-case>.

⁹⁹ Press Release, Fed. Trade Comm’n, FTC Sues 7-Eleven for Anticompetitive Acquisition in Violation of 2018 Consent Order (Dec. 4, 2023), <https://www.ftc.gov/news-events/news/press-releases/2023/12/ftc-sues-7-eleven-anticompetitive-acquisition-violation-2018-consent-order>.

¹⁰⁰ *FTC v. Seven & I Holdings, Co., Ltd.*, No. 23-3600 (D.D.C. Mar. 31, 2025).

C. FTC Research Initiatives

The Commission plays a key role in monitoring competition in evolving industries and dynamic markets. Despite a very heavy enforcement workload, we continue to make substantial investments to remain faithful to our mandate to engage in policy and research development. Through several recently issued Requests for Information (“RFIs”), the FTC invites public feedback about pressing and emerging issues to better understand new business practices and market trends.

Three areas of focus for the FTC are understanding potentially anticompetitive censorship by tech platforms, anticompetitive regulatory barriers, and mega investors in housing markets. For example, the FTC launched a public inquiry to better understand how technology platforms deny or degrade users’ access to services based on the content of their speech or affiliations, and how this conduct may have violated the law.¹⁰¹ Tech firms can employ confusing or unpredictable internal procedures that cut users off, sometimes with no ability to appeal the decision. These actions taken by tech platforms could qualify as unfair or deceptive. Additionally, they may harm consumers and damage competition. They may be the result of a lack of competition among tech platforms, or they may have been the product of anti-competitive conduct. The FTC wants to understand how consumers have been harmed by these tech platform limitations.

Recently and in response to President Trump’s Executive Order on Reducing Anticompetitive Regulatory Barriers,¹⁰² the FTC launched a public inquiry into the impact of federal regulations on competition, with the goal of identifying and reducing anticompetitive regulatory barriers. In so doing, the FTC seeks to identify unnecessary regulations that exclude new market entrants, protect dominant incumbents, and predetermine economic winners and losers. This important initiative will put the Trump-Vance FTC on the front lines of advancing the President’s agenda to revitalize the American economy. Eliminating regulations that reduce competition, entrepreneurship, and innovation will strengthen the American economy and benefit millions of ordinary Americans.

Earlier this year, the Commission also requested public comment on proposed FTC orders that would seek to understand how large-scale single-family rental owner operators, known as mega investors, have affected home prices and rents across the single-family rental market.¹⁰³ Many Americans are justly concerned that their rent is simply too high, and the Commission has an obligation to Congress and the American people to determine whether rising housing prices are the result of weak competition in relevant housing markets. The potential 6(b) orders would seek information from more than 30 mega investors regarding their corporate

¹⁰¹ Press Release, Fed. Trade Comm’n, Federal Trade Commission Launches Inquiry on Tech Censorship (Feb. 20, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/02/federal-trade-commission-launches-inquiry-tech-censorship>.

¹⁰² Press Release, Fed. Trade Comm’n, FTC Launches Public Inquiry into Anti-Competitive Regulations (Apr. 14, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/04/ftc-launches-public-inquiry-anti-competitive-regulations>.

¹⁰³ Press Release, Fed. Trade Comm’n, FTC Seeks Public Comment on Single-Family Rental Home Mega Investors Study (Jan. 15, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/01/ftc-seeks-public-comment-single-family-rental-home-mega-investors-study>.

structure, current and historical housing inventory information, rental and fee income, as well as strategic business plans and other investor information regarding growth plans, competition, prices, and expenses. The goal of such a study would be to shine a light on what is driving housing costs out of reach for too many Americans.

The FTC also continues to examine the operations of the nation’s pharmacy benefits managers (PBMs) that manage nearly 95 percent of all prescriptions filled in the United States. This inquiry began in 2022 when the FTC issued a series of orders, using its authority under Section 6(b) of the FTC Act, to the six largest PBMs and other companies. In July 2024, Commission staff released an interim report that detailed the PBMs’ operations and their influence over specialty generic drugs, including significant price markups by PBMs for cancer, HIV, and a variety of other critical drugs.¹⁰⁴ In January, the Commission authorized a second interim staff report finding the ‘Big 3 PBMs’—Caremark Rx, LLC (CVS), Express Scripts, Inc. (ESI), and OptumRx, Inc. (OptumRx)—marked up numerous specialty generic drugs dispensed at their affiliated pharmacies by thousands of percent, and many others by hundreds of percent.¹⁰⁵ According to the staff report, such significant markups allowed the Big 3 PBMs and their affiliated specialty pharmacies to generate more than \$7.3 billion in revenue from dispensing drugs in excess of the drugs’ estimated acquisition costs from 2017-2022. The Big 3 PBMs netted such significant revenues while patient, employer, and other health care plan sponsor payments for drugs steadily increased every year, according to the staff report. Commission staff continue to work on this important project. The Commission best serves Congress, state legislators, and the American people when we produce comprehensive, fact-based, and data-driven reports.

V. CONCLUSION

The FTC continues to seek to fulfill its broad mission on behalf of consumers, workers, and honest businesses using the range of tools and resources Congress has afforded us. We look forward to continuing to work with the Subcommittee and Congress, and I am happy to answer your questions.

¹⁰⁴ Press Release, Fed. Trade Comm’n, FTC Releases Interim Staff Report on Prescription Drug Middlemen (July 9, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/07/ftc-releases-interim-staff-report-prescription-drug-middlemen>.

¹⁰⁵ Press Release, Fed. Trade Comm’n, FTC Releases Second Interim Staff Report on Prescription Drug Middlemen (Jan. 14, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/01/ftc-releases-second-interim-staff-report-prescription-drug-middlemen>.