



Federal Trade Commission

Annual Performance Report for Fiscal Year 2022
and Annual Performance Plan for Fiscal Years 2023 to 2024



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Introduction

About This Report

The following document is the Annual Performance Report for fiscal year (FY) 2022 and the Annual Performance Plan for FY 2023 and 2024 for the Federal Trade Commission (“FTC” or “Commission”). The report is structured around three strategic goals and their supporting objectives as established in the FTC Strategic Plan for FY 2022-2026. The FTC’s strategic goals, objectives, and performance metrics articulate what the agency intends to accomplish to meet its mandated mission (Goals 1 and 2), support and improve the management functions vital to core mission success (Goal 3) and demonstrate the highest standards of stewardship.

- **Strategic Goal 1:** Protect the public from unfair or deceptive acts or practices in the marketplace.
- **Strategic Goal 2:** Protect the public from unfair methods of competition in the marketplace and promote fair competition.
- **Strategic Goal 3:** Advance the FTC’s effectiveness and performance.

Go to [ftc.gov](https://www.ftc.gov) to see more of the agency’s [performance and budget documents](#).

Agency and Mission Information

The FTC works to promote fair and open markets and protect the entire American public from unfair or deceptive business practices. While primarily a law enforcement agency, the FTC uses a variety of other tools to fulfill its mission, including rulemaking, research, studies on marketplace trends and legal developments, public outreach and engagement, and consumer and business education.

Our Mission

Protecting the public from deceptive or unfair business practices and from unfair methods of competition through law enforcement, advocacy, research, and education.

Our Vision

A vibrant economy fueled by fair competition and an empowered, informed public.

Our History and Organization

The FTC is an independent agency that reports to the President and to Congress on its actions on behalf of the American public. These actions include:

- Pursuing vigorous and effective law enforcement;
- Advancing consumers’ interests by sharing expertise with Congress, state legislatures, and U.S. and international agencies;
- Developing policy and research tools through hearings, workshops, and conferences;
- Creating practical, plain language educational programs and materials for broad, diverse communities of consumers and businesses in a global marketplace with constantly changing technologies;
- Disseminating information about the Commission’s activities to the public to foster understanding, accountability, public participation, and transparency.

The FTC has a more than 100-year history of working to maintain a competitive marketplace for both consumers and honest businesses. In 1914, President Woodrow Wilson signed the Federal Trade Commission Act into law, creating the FTC. When the FTC was created, its purpose was to prevent unfair methods of

competition in commerce as part of the battle to “bust the trusts.” Over the years, Congress passed additional laws giving the agency greater authority over anticompetitive practices.

Congress, in 1938, amended the FTC Act and granted the FTC authority to stop “unfair or deceptive acts or practices in or affecting commerce.” Since then, the FTC has been directed to enforce a wide variety of other consumer protection laws and regulations.

The FTC is headed by a five-member Commission nominated by the President and confirmed by the Senate, each serving a staggered seven-year term. The President chooses one commissioner to act as Chair. No more than three commissioners may be from the same political party.

The FTC’s mission is carried out by the Bureau of Consumer Protection (BCP), the Bureau of Competition (BC), and the Bureau of Economics (BE). Their work is supported by the Office of the General Counsel, the Office of International Affairs, the Office of Policy Planning, the Office of the Secretary, the Office of the Executive Director, the Office of Congressional Relations, the Office of Public Affairs, the Office of Administrative Law Judges, the Office of Equal Employment Opportunity and Workplace Inclusion, the Office of the Inspector General, the Office of the Chief Privacy Officer, and eight regional offices across the country.

The FTC’s workforce is its greatest asset. At the end of FY 2022, the agency’s estimated full-time equivalent utilization was 1,119. The total new budget authority for FY 2022 was \$376.5 million.

Scope of Responsibilities

The FTC is an independent law enforcement agency with consumer protection and competition jurisdiction in broad sectors of the economy. The agency administers a wide variety of laws, such as the Federal Trade Commission Act (FTC Act), Fair Credit Reporting Act, and the Clayton Act. The Commission has enforcement or administrative responsibilities under [more than 70 laws](#). The FTC also enforces many rules issued pursuant to the Federal Trade Commission Act or other laws, including the Business Opportunity Rule and the Telemarketing Sales Rule.

Performance Measurement Reporting Process

Bureau and office representatives serve as the Performance Measure Reporting Officials (PMRO), who act as data stewards for each of the agency’s publicly reported performance metrics. The PMROs report performance data to the Performance Improvement Officer on a quarterly or annual basis via an internal data reporting tool. The Financial Management Office (FMO) also leads periodic performance metric reviews in coordination with budget execution reviews. Quarterly reports are sent to senior managers throughout the agency, allowing for adjustments to agency strategies based on the interim results.

Verification and Validation of Performance Data

The following outlines how the agency ensures the performance information it reports is complete, reliable, and accurate:

- The FTC has adopted a central internal repository for performance data entry, reporting, and review. The electronic data tool reduces human error, increases transparency, and facilitates review of the agency's performance information.
- Each PMRO is responsible for updating the data quality appendix (DQA) at least once per year. The DQA serves as a process document, laying out data sources and collection methods for performance information, as well as how metrics are calculated.
- PMROs must provide all supporting documentation for their performance results at both the midpoint and end of the fiscal year. This allows FMO Performance Staff to “dig beneath the surface” and see the data underlying the metrics.
- After reviewing the underlying data, several metrics are selected each year to investigate more thoroughly, including interviewing the staff responsible for data collection, asking about alternative methods, and comparing data collection and calculations to those reported in the DQA.



Strategic Goal 1: Protect the Public from Unfair or Deceptive Acts or Practices in the Marketplace

The FTC uses a multi-pronged interdisciplinary approach to protect the public from unfair and deceptive practices in the marketplace. The FTC conducts investigations, sues companies and people that violate the law, develops rules to protect the public, and educates consumers and businesses about their rights and responsibilities. The agency also collects reports about a host of consumer issues, including fraud, identity theft, financial matters, and Do Not Call violations. The FTC makes these reports available to law enforcement agencies worldwide.

Because the FTC has jurisdiction over a wide range of consumer protection issues, in order to carry out its broad mission it must make effective use of limited resources by targeting its law enforcement and education efforts to achieve maximum impact and by working closely with federal, state, international, and private sector partners in joint initiatives. In addition, the agency engages in dialogue with a variety of stakeholders to understand emerging issues. The FTC also conducts research on a variety of consumer protection topics.

The FTC focuses on investigating and litigating conduct that causes or is likely to cause substantial injury to the public. This includes not only monetary injury, but also, for example, unwarranted health, safety, and privacy risks.

Through its Every Community Initiative, the FTC supports consumers in historically underserved communities, which may be disproportionately affected by fraud and other consumer issues. These efforts include developing specific resources, conducting outreach and events, initiating law enforcement actions, and conducting research to better identify and understand the equity issues.

Four objectives guide work in this area:

- **Objective 1.1:** Identify, investigate, take actions against, and deter unfair or deceptive acts or practices that harm the public.
- **Objective 1.2:** Connect with individuals, communities, and businesses to provide practical knowledge, guidance, and tools, and to learn about key challenges and opportunities for future FTC engagement.
- **Objective 1.3:** Collaborate with domestic and international partners to enhance consumer protection.
- **Objective 1.4:** Support equity for historically underserved communities through the FTC's consumer protection mission.

Strategic Goal 1 Metrics	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2023 Target	FY 2024 Target
Objective 1.1						
Metric 1.1.1 Amount of money returned to the public or forwarded to the U.S. Treasury resulting from FTC enforcement actions.	\$2.79 billion	\$2.39 billion	\$2.28 billion	\$65 million	\$65 million	\$65 million
Metric 1.1.2 Total consumer savings compared to the amount of FTC resources allocated to consumer protection law enforcement.	\$14.80 in consumer savings per \$1 spent	\$12.80 in consumer savings per \$1 spent	\$11.60 in consumer savings per \$1 spent	\$7.00 in consumer savings per \$1 spent	\$7.00 in consumer savings per \$1 spent	\$7.00 in consumer savings per \$1 spent
Metric 1.1.3 Percentage of matters following up on Commission market-wide policy initiatives, e.g., Notices of Penalty Offenses, Policy Statement on Negative Option Marketing, workshops, and reports.	N/A	N/A	25.5%	Baseline	20%	20%
Metric 1.1.4 Percentage of matters seeking significant remedial, precedential, or deterrent effects across the marketplace.	N/A	N/A	72.3%	Baseline	65%	65%
Metric 1.1.5 Percentage of cases involving collaboration across organizational units, e.g., regional offices and divisions, BC and BCP, Bureaus and OPP.	N/A	N/A	39.2%	Baseline	35%	35%
Metric 1.1.6 Percentage of the FTC's consumer protection law enforcement actions that targeted the subject of consumer reports in the FTC's Consumer Sentinel Network.	90.5%	85.2%	93.9%	80.0%	80.0%	80.0%
Metric 1.1.7 User satisfaction with the FTC's Consumer Response Center call center.	84	84	84	Average rate for government: 72.8	Average rate for government	Average rate for government
Metric 1.1.8 User satisfaction with the FTC's Consumer Response Center website.	82.5	83.3	81.2	Average rate for government: 72.8	Average rate for government	Average rate for government
Objective 1.2						
Metric 1.2.1 Rate of customer satisfaction with FTC consumer education websites. (a) Mobile (b) Desktop	(b) 76.2	(b) 72.9	(a) 73.5 (b) 73.4	Average rate for government (a) 72.6 (b) 72.8	Average rate for government	Average rate for government
Metric 1.2.2 Rate of customer satisfaction with the ftc.gov website. (a) Mobile (b) Desktop	(a) 74.6 (b) 74.7	(a) 73.5 (b) 70.9	(a) 70.5 (b) 69.1	(a) 73.5 (b) 70.9	(a) 70.70 (b) 69.26	(a) 70.87 (b) 69.44
Metric 1.2.3 Number of outreach events.	N/A	N/A	316	Baseline	300	300
Metric 1.2.4 Number of unique page views for consumer and business education digital article and blog posts.	N/A	N/A	39.1 million	Baseline	35 million	35 million

Strategic Goal 1 Metrics	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2023 Target	FY 2024 Target
Objective 1.3						
Metric 1.3.1 Number of investigations or cases in which the FTC and other U.S. federal, state, and local government agencies shared evidence or information that contributed to FTC law enforcement actions or enhanced consumer protection.	551	505	541	375	375	375
Metric 1.3.2 Number of investigations or cases in which the FTC obtained foreign-based evidence or information or engaged in other mutual assistance that contributed to FTC law enforcement actions, or in which the FTC cooperated with foreign agencies and/or multilateral organizations on enforcement matters.	42	39	32	20	20	32
Objective 1.4						
Metric 1.4.1 Percentage of actions taken to stop unfair or deceptive practices that we have identified as 1) targeting historically underserved communities; 2) disproportionately impacting historically underserved communities; 3) involving schemes or practices that research has shown to disproportionately impact historically underserved communities; or 4) involving conduct in languages other than English, including Native American languages.	N/A	N/A	23.4%	Baseline	20%	20%
Metric 1.4.2 Percentage of redress payments made to people who live in communities that have a high proportion of members of historically underserved communities.	N/A	N/A	35.1%	Baseline	30%	30%
Metric 1.4.3 Number of outreach events targeting diverse audiences.	N/A	N/A	179	Baseline	165	165

Objective 1.1: Identify, investigate, take actions against, and deter unfair or deceptive acts or practices that harm the public.

Goal Leaders: Director, Bureau of Consumer Protection; Director, Bureau of Economics

The FTC protects the public by enforcing Section 5 of the FTC Act, which prohibits unfair or deceptive acts or practices in or affecting commerce, and by enforcing a number of statutes and rules proscribing specific unlawful practices. The FTC's Bureau of Consumer Protection, with the support of the Bureau of Economics, investigates cases and initiates civil enforcement actions, primarily by filing actions in federal court, when there is reason to believe that entities have violated these laws and rules. The FTC's enforcement actions seek injunctions and other relief. The FTC also brings enforcement actions via administrative proceedings.

To fulfill its goal of protecting the public, the FTC must identify consumer protection issues and trends in the fast-changing, increasingly global marketplace. The agency strives to understand the issues affecting the public, including any newly emerging methods of fraud, so that it can target its enforcement, education, and advocacy on those areas where the public suffers the most harm. The FTC leverages its resources by sharing information with and encouraging other law enforcement authorities to assist it in its efforts, by acting either independently or jointly.

To help ensure that its enforcement, education, and advocacy efforts are well-targeted, the Bureau of Consumer Protection works with the Bureau of Economics in evaluating economic harm to consumers as cases and programs are developed.

The agency continues to collect consumer report information directly through the following sources:

- [ReportFraud.ftc.gov](https://reportfraud.ftc.gov) for reporting fraud, scams, and bad business practices, or through a toll-free helpline (1-877-FTC- HELP)
- [IdentityTheft.gov](https://identitytheft.gov) for reporting identity theft, or through an identity theft hotline (1-877-ID-THEFT)
- [Donotcall.gov](https://donotcall.gov) for reporting unwanted calls, or through the National Do Not Call Registry helpline (1-888-382-1222)

In addition, the FTC continues to gather consumer report information from other sources, including state, federal, and international law enforcement agencies, Better Business Bureaus, postal mail, and private entities.

The Consumer Sentinel Network (CSN) is the FTC's secure website that provides more than 2,800 law enforcement users worldwide with access to more than 50 million consumer fraud, identity theft, financial, and Do Not Call Registry reports collected during the past five years. On a quarterly basis, the FTC includes information on the top consumer reports received on its data analysis site at ftc.gov/exploredata. Data about the FTC's refund program is also available at ftc.gov/exploredata, including state-by-state and case-by-case breakdowns of the amount refunded to consumers.

The FTC recognizes that consumers cannot always identify whether unfair or deceptive practices have occurred. For example, consumers cannot evaluate for themselves the truthfulness of an environmental marketing claim, such as "made with recycled content." The agency, therefore, identifies targets by augmenting its complaint databases with other enforcement leads, such as ad monitoring, Internet "surfs" (monitoring the Internet for potentially false or deceptive advertising for a targeted product or service), evaluation of mobile practices, and direct referrals from government and private sector partners.

Strategies

- **Identify consumer protection violations:** Identify deceptive and unfair business practices that cause harm to the public, including practices that target or impact specific segments of the population, by monitoring practices in the marketplace and evaluating information from numerous sources, including reports

submitted to the Consumer Sentinel Network (CSN) database by consumers and others. The FTC and its law enforcement partners mine the CSN database to identify trends and targets, as well as to develop cases against existing targets.

- **Enforce consumer protection laws:** Enforce the law to protect all segments of the population from fraud, deception, and unfair business practices by safeguarding consumer privacy, monitoring national advertising and new technologies, and suing entities that violate federal court and administrative orders obtained by the FTC. Negotiate consent orders and pursue litigated orders that have significant remedial, precedential, and deterrent effects.
- **Improve litigation skills:** Improve staff negotiation and litigation skills and refine investigative and decisional tools through continuous learning.

External Factors and Risks

- **New Legislation**
 - New Congressional legislation could affect the agency's ability to take law enforcement action.
 - Budget and Staffing Levels
 - A reduction in budget and/or staffing levels could reduce the agency's ability to take law enforcement action.
- **Increasing Litigation Costs**
 - Increasing costs related to litigation, including processing and storing increasingly large amounts of electronic investigation and case data, can lead to fewer investigations and cases.
- **Legal Challenges**
 - Legal challenges, such as the recent AMG Capital Mgmt., LLC v. FTC Supreme Court case, can reinterpret the FTC's enforcement authority.
 - In addition, a recent court ruling and ongoing lawsuits may affect the Commission's ability to continue using its administrative process to obtain refunds for harmed consumers in consumer protection cases.

FY 2022 Progress Update

This fiscal year, the FTC continued to tackle a wide variety of unfair or deceptive practices in key areas, including national advertising, privacy and data security, financial and marketing practices, and practices targeting specific populations. From halting COVID fraud, to protecting workers and small businesses, to challenging practices that discriminate against communities of color, the FTC has been on the front lines of pressing issues consumers face. We have also made aggressive use of new authorities Congress has given us, including bringing our first case pursuant to the Opioid Addiction Recovery Fraud Prevention Act, using the COVID-19 Consumer Protection Act to hold pandemic profiteers accountable with civil penalties, and bringing our first action under the Military Lending Act. In addition, the FTC continued its longstanding efforts to fight other unfair or deceptive practices, including combatting illegal robocalls and protecting consumers' rights to repair their products.

In response to the Supreme Court's decision in AMG Capital Mgmt., LLC v. FTC, which held that the FTC does not have the ability to obtain monetary relief pursuant to Section 13(b) of the FTC Act, the FTC reinvigorated underused remedial powers, such as the FTC's Penalty Offense authority, and pursued rulemakings, including finalizing the Made in the USA Rule, initiating an auto rule under the Dodd-Frank Wall Street Reform and Consumer Protection Act, initiating a rule to prohibit impersonation frauds, and initiating a rule to address deceptive and unfair earnings claims. While not a replacement for the FTC's ability to return money to

consumers under Section 13(b), these efforts have bolstered our ability to go after lawbreakers. Finally, the FTC aggressively enforced its orders against repeat offenders, referring cases to criminal authorities as appropriate.

In FY 2022, the FTC filed 33 complaints in federal district court and obtained 41 permanent injunctions and orders requiring defendants to pay more than \$162.7 million in consumer redress or disgorgement of ill-gotten gains. Defendants also were required to pay over \$102.7 million under one civil contempt order. In addition, cases referred to the Department of Justice (DOJ) resulted in 11 court judgments imposing over \$162.3 million in civil penalties. Furthermore, the FTC issued 14 new administrative complaints and entered 12 final administrative orders requiring defendants to pay over \$5.6 million. The FTC also reviewed compliance in over 300 matters, including nearly 2000 defendants.

The FTC's trial win against On Point Global made \$102 million in refunds available to consumers who were harmed by a wide-ranging scheme that led them to pay money or hand over personal information to fake government websites. The scammers ran hundreds of deceptive websites that promised a quick and easy government service, such as renewing a driver's license, or eligibility determinations for public benefits like Section 8 housing or food stamps. The money being used to provide payments to consumers is a result of a contempt motion filed by the FTC against one of the defendants in the case, Burton Katz. Katz was previously sued by the FTC for placing millions of dollars in unwanted charges on consumers' mobile phone bills by using spam text messages pitching "free" gift cards. As a result of that suit, Katz was placed under a court order prohibiting from any further violations of the FTC Act. Because of his involvement in this new fake government websites scam, the FTC filed the motion alleging that Katz and other defendants were in contempt of that order. The court ruled in the FTC's favor on the motion and awarded the monetary relief.

The FTC took action against Intuit Inc., the maker of the popular TurboTax tax filing software, for deceiving consumers with bogus advertisements pitching "free" tax filing. The Commission alleges that the company's ubiquitous advertisements touting their supposedly "free" products, some of which consisted almost entirely of the word "free" spoken repeatedly, mislead consumers into believing that they can file their taxes for free with TurboTax when, in reality, the company's "free" service is not available to millions of taxpayers.

The FTC finalized a settlement with R360 LLC and its owner, Steven Doumar, resolving allegations that they deceived people seeking help for addiction regarding the evaluation and selection criteria for the treatment centers in their network. The case is the FTC's first under the Opioid Addiction Recovery Fraud Prevention Act of 2018. The FTC alleged that R360 misrepresented to consumers seeking help through its "R360 Network" that it would connect them with treatment centers that met their individualized needs and were selected through a rigorous evaluation process conducted by an expert in substance use disorders and addiction treatment. In reality, Doumar was responsible for assessing the quality of the treatment centers and deciding which would join the network, and he had no educational or professional experience that qualified him to make these decisions. The agency secured a \$3.8 million civil penalty judgment against the defendants and an order prohibiting them from continuing to make misrepresentations.

The FTC entered into a settlement with Twitter resolving allegations that it deceptively used account security data for targeted advertising. The FTC alleged that Twitter prompted users to provide their phone numbers and email addresses specifically for purposes of enabling two-factor authentication to protect their accounts and then profited by allowing advertisers to use this data to target specific users. The FTC alleged that Twitter's deception violates a 2011 FTC order that explicitly prohibited the company from misrepresenting its privacy and security practices. The order requires Twitter to pay a \$150 million penalty and bans them from profiting from its deceptively collected data.

The FTC issued an administrative complaint against Denver-based HomeAdvisor Inc., a company affiliated with Angi, alleging it used a wide range of deceptive and misleading tactics in selling home improvement project leads to service providers, including small businesspeople operating in the "gig" economy. The FTC's

complaint against HomeAdvisor alleges that since at least the middle of 2014, it has made false, misleading, or unsubstantiated claims about the quality and source of the leads the company sells to service providers, such as general contractors and small lawn care businesses, who are in search of potential customers.

The FTC sued Walmart for allowing its money transfer services to be used by fraudsters, who fleeced consumers out of hundreds of millions of dollars. According to the complaint, Walmart did not properly train its employees, failed to warn customers, and used procedures that allowed fraudsters to cash out at its stores. Based on information from fraud databases maintained by MoneyGram, Western Union, and Ria, more than \$197 million in payments that were the subject of fraud complaints were sent or received at Walmart from 2013 to 2018, with more than \$1.3 billion in related payments also possibly connected to the fraud. The FTC is asking the court to order Walmart to return money to consumers and to impose civil penalties for Walmart's violations of the Telemarketing Sales Rule.

As in past years, the FTC focused on its greatest asset in protecting consumers—its staff. FTC staff has continued to work to identify, develop, and communicate best practices, updated procedures, and new litigation support tools, to maximize the efficiency of the FTC's consumer protection work. BCP also continued to make law enforcement training a priority in FY 2022. BCP continued to expand the content on BCP Lit, its widely used internal training and information platform. BCP added new training materials, legal resources, and investigation and litigation advice to BCP Lit, as well as revised and updated existing training content. BCP also sent a number of staff attorneys to deposition trainings run by the National Institute for Trial Advocacy (NITA). BCP approved training for investigators to become qualified as Certified Fraud Examiners. In addition, BCP's Office of Technology Research and Investigation worked to keep BCP's staff current and tech-savvy, providing training and seminars on topics such as microtask platforms and using a new advertising platform tool. BCP also continued to offer its mentoring program to staff.

BCP faces resource challenges such as rising costs for expert witness contracts, travel (before pandemic-related restrictions were instituted and after they are lifted), and litigation support tools. Overcoming these challenges is critical as BCP litigates larger and more complex cases involving traditional frauds, as well as cases in emerging technologies, privacy and data security, and deceptive advertising in new media channels.

FY 2023 Next Steps and Future Actions to Meet Strategic Objective

- Evaluate whether enforcement activities are tracking the areas where the public suffers the most harm and whether new practices or technologies require additional law enforcement focus, education, and advocacy.
- Evaluate economic and other harms to consumers as cases and programs are developed.
- Continue to evaluate the efficacy of promulgated rules and regulations and other policy documents.
- Evaluate and implement options for continuing to secure relief for consumers post-*AMG Capital Mgmt., LLC v. FTC*.

Performance Metrics

Metric 1.1.1: Amount of money returned to the public or forwarded to the U.S. Treasury resulting from FTC enforcement actions.

This metric tracks the FTC’s effectiveness in returning money to consumers who were defrauded and forwarding money to the U.S. Treasury (e.g., if sending money to individuals is impracticable, or if funds were paid as a civil penalty). The FTC targets law enforcement efforts on violations that cause the greatest amount of consumer harm; the amount of money returned to consumers or forwarded to the U.S. Treasury is a useful indicator that the FTC is targeting the right defendants. The number reported is a three-year rolling average (average of the current year and two prior year totals).

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
\$3.25 billion	\$3.52 billion	\$2.79 billion	\$2.39 billion	\$2.28 billion	\$65 million	Exceeded	\$65 million	\$65 million

FY 2022 Highlights: In the last three years, the annual average of the total amount returned to consumers and forwarded to the U.S. Treasury is \$2.28 billion. In FY 2022, the FTC returned \$459.5 million to consumers and forwarded \$177.2 million to the U.S. Treasury. The FTC returned money to more than 2.2 million consumers in dozens of cases, including Amazon Flex, AdvoCare, Next-Gen, MOBE, and LendingClub. The money returned to the U.S. Treasury included civil penalties obtained in settlements with Twitter, Inc., Walmart, Inc., and Kohls, Inc. In addition, in FY 2022, some FTC orders required defendants to self-administer refund programs worth more than \$3.0 million in refunds to consumers, including the Agora Financial LLC case. The FTC expects the amount of money returned to consumers and the U.S. Treasury to continue to decrease due to the Supreme Court’s decision in *AMG Capital Mgmt., LLC v. FTC*, which held that the FTC does not have the ability to obtain monetary relief pursuant to Section 13(b) of the FTC Act.

Metric 1.1.2: Total consumer savings compared to the amount of FTC resources allocated to consumer protection law enforcement.

This metric tracks the efficiency of the FTC’s consumer protection law enforcement spending. We compare how much money the FTC saves consumers each year through law enforcement to the amount the FTC spends on consumer protection law enforcement. Consumer savings are comprised of: (a) the amount of money returned to consumers; and (b) an estimate of the amount of harm that would have occurred but for the FTC’s law enforcement action. To calculate this latter figure, the FTC assumes that the unlawful conduct would have continued for one year but for our action. The FTC also assumes that the amount of harm that would have occurred in that year is the same as what consumers lost in the past. The amount reported is a three-year rolling average (average of the current year and two prior year totals).

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
\$39.50 in consumer savings per \$1 spent.	\$39.40 in consumer savings per \$1 spent.	\$14.80 in consumer savings per \$1 spent.	\$12.80 in consumer savings per \$1 spent.	\$11.60 in consumer savings per \$1 spent.	\$7.00 in consumer savings per \$1 spent.	Exceeded	\$7.00 in consumer savings per \$1 spent.	\$7.00 in consumer savings per \$1 spent.

FY 2022 Highlights: The agency saved consumers on average over 11.6 times the amount of resources devoted to the consumer protection program in the past three years, or an average of \$1.2 billion per year. Settlements obtained in the Benefytt Technologies, RagingBull.com, and Universal Guardian Acceptance cases comprised a significant portion of this amount. The FTC expects the average consumer savings to continue to decrease due to the Supreme Court’s decision in *AMG Capital Mgmt., LLC v. FTC*, which held that the FTC does not have the ability to obtain monetary relief pursuant to Section 13(b) of the FTC Act.

Metric 1.1.3: Percentage of matters following up on Commission market-wide policy initiatives, e.g., Notices of Penalty Offenses, Policy Statement on Negative Option Marketing, workshops, and reports.

This metric tracks the FTC’s effectiveness in following up on Commission market-wide policy initiatives. This ensures we are understanding and responding to emerging trends in the marketplace, particularly problems that cause substantial consumer financial losses.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
N/A	N/A	N/A	N/A	25.5%	Baseline	N/A	20%	20%

FY 2022 Highlights: In FY 2022, 12 of 47 enforcement matters followed up on Commission market-wide policy initiatives.

Metric 1.1.4: Percentage of matters seeking significant remedial, precedential, or deterrent effects across the marketplace.

This metric tracks the FTC’s effectiveness in negotiating consent orders and pursuing litigated orders that have a positive effect that goes beyond the individual defendant. Matters that seek significant remedial, precedential, and deterrent effects can have a larger impact on consumers.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
N/A	N/A	N/A	N/A	72.3%	Baseline	N/A	65%	65%

FY 2022 Highlights: In FY 2022, 34 of 47 enforcement matters sought significant remedial, precedential, or deterrent effects across the marketplace.

Metric 1.1.5: Percentage of cases involving collaboration across organizational units, e.g., regional offices and divisions, BC and BCP, Bureaus and OPP.

This metric tracks the FTC’s effectiveness in collaborating across organizational units. This interdisciplinary approach to protecting the public maximizes the agency’s ability to analyze and assess appropriate remedies.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
N/A	N/A	N/A	N/A	39.2%	Baseline	N/A	35%	35%

FY 2022 Highlights: In FY 2022, 20 of 51 completed cases involved collaboration across organizational units.

Metric 1.1.6: Percentage of the FTC’s consumer protection law enforcement actions that targeted the subject of consumer reports in the FTC’s Consumer Sentinel Network.

The FTC collects reports about a host of consumer issues, including fraud, identity theft, financial matters, and Do Not Call violations. Reports are an integral component when determining the areas of greatest concern and injury to consumers. This metric gauges how well the FTC’s consumer protection law enforcement actions target the subject of consumer reports.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
89.6%	87.8%	90.5%	85.2%	93.9%	80.0%	Exceeded	80.0%	80.0%

FY 2022 Highlights: In FY 2022, 31 of 33 of BCP’s law enforcement actions targeted the subject of consumer complaints to the FTC. Because BCP augments identification of targets from its databases with other strategies for generating enforcement leads—such as monitoring compliance with FTC orders, ad monitoring, internet surfs, mobile application surveys, and direct referrals from government and private-sector partners—the results vary from year to year.

Metric 1.1.7: User satisfaction with the FTC’s Consumer Response Center call center.

This metric quantifies how satisfied consumers are with the FTC’s Consumer Response Center, which is responsible for collecting consumer complaints. Satisfaction is measured separately for consumers filing complaints through online forms, and for those filing complaints through the call center. The Consumer Response Center is often consumers’ first contact with the FTC, and if consumers do not have a satisfactory experience, they may be less likely to file complaints. Consumer complaints help the FTC identify consumer protection issues and trends in the fast-changing, increasingly global marketplace.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
85	84	84	84	84	Average government satisfaction rate in FY22: 72.8	Exceeded	Average government satisfaction rate	Average government satisfaction rate

Metric 1.1.8: User satisfaction with the FTC Consumer Response Center website.

This metric quantifies how satisfied consumers are with the FTC’s Consumer Response Center, which is responsible for collecting consumer reports. Satisfaction is measured separately for consumers filing reports through online forms, and for those filing reports through the call center. The Consumer Response Center is often consumers’ first contact with the FTC, and if consumers do not have a satisfactory experience, they may be less likely to file reports. Consumer reports help the FTC to identify consumer protection issues and trends in the fast-changing, increasingly global marketplace.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
80.3	81.2	82.5	83.3	81.2	Average government satisfaction rate in FY22: 72.8	Exceeded	Average government satisfaction rate	Average government satisfaction rate

Secondary Metric 1.1.9: Number of reports collected and entered into the Consumer Sentinel Network (CSN) database.

The agency assimilates a large number of consumer complaints, including complaints about Do Not Call violations. The agency receives these complaints from a variety of sources, including direct consumer complaints to the FTC and complaints received by the FTC’s partners. In this manner, the FTC will collect robust information to inform its law enforcement efforts.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual
8.7 million	8.5 million	8.3 million	11.0 million	8.0 million

Secondary Metric 1.1.10: The percentage of redress cases in which money designated for distribution is mailed to consumers within 6 months.

This secondary metric ensures that the FTC returns redress dollars to injured consumers as quickly as possible. Money is considered “designated for distribution” when the FTC is in receipt of all funds, legal issues are resolved, and a usable claimant list is ready. If there is a claims process in which consumers must apply for a refund, then dollars are “designated for distribution” after all claims have been reviewed and verified.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual
90.9%	91.7%	93.1%	100%	85.2%

Objective 1.2: Connect with individuals, communities, and businesses to provide practical knowledge, guidance, and tools, and to learn about key challenges and opportunities for future FTC engagement.

Goal Leaders: Director, Bureau of Consumer Protection; Director, Bureau of Economics; Director, Office of Public Affairs

Consumer and business education serves as an important and vital resource in fighting against deception and unfair practices. Well-informed consumers are better able to recognize, avoid, and report fraud, and well-informed business owners know where the FTC draws the line.

Most FTC law enforcement initiatives include a consumer and/or business education component aimed at preventing consumer injury and unlawful business practices and mitigating financial losses. The agency also conducts consumer and business education campaigns to raise awareness of new or emerging marketplace issues that have the potential to cause harm.

The FTC has a unique mandate to undertake certain forms of research based on Section 6 of the FTC Act. Under this authority, the FTC gathers, analyzes, and makes public certain information that serves the public interest. The FTC also convenes conferences and workshops through which experts and other experienced and knowledgeable parties identify emerging consumer protection issues and discuss ways to address those issues. The FTC recognizes that stakeholders outside the government have also been tasked with addressing certain consumer protection issues. The agency, therefore, carefully monitors self-regulatory efforts and partners with the private sector to disseminate consumer education content developed by the agency.

Strategies

- **Improve education and engagement efforts:** Focus consumer and business education efforts on areas where deception, unfair practices, and information gaps cause the greatest injury. Determine this by understanding with qualitative and quantitative approaches what harms are most impacting consumers. Target groups with messages about marketplace issues that impact their health, safety, and economic well-being in channels, formats, and methods people are most engaged in depending on the topic. Adopt and employ usability testing, user research, and other human-centered strategies to ensure that FTC staff understands user needs and can help appropriately.
- **Use consumer insights to share critical information with internal FTC members including leadership, case, and legal teams:** Through engaging with consumers and communities and employing different consumer feedback mechanisms, including soliciting public comments at open Commission meetings, analyze and aggregate critical findings to disseminate information learned directly from consumers to FTC employees.
- **Engage with local community and grassroots organizations:** Build a strategy to engage with and make connections with consumers. Maintain strong relationships with community-based organizations and advocacy organizations nationwide, while continuously seeking new ways to build relationships with trusted community leaders (e.g., church leaders, teachers, community organizers, non-profit leaders, etc.). Follow up with all organizations to understand what materials were helpful or not and why and build relationships to maximize the agency's public consumer outreach.
- **Help victims of identity theft:** Educate the public about identity theft and provide user-friendly, actionable information to those who have become victims of identity theft.
- **Promote reporting, online resources, and avenues to better engage directly with the public and gather public feedback:** Publicize the FTC's "Report Fraud" and identity theft websites and toll-free numbers in an ongoing effort to increase public awareness and inform the public of ways to contact the FTC to obtain information or file a fraud report.

- **Engage with and educate small businesses:** Understand and listen to small business needs by employing user feedback and engagement opportunities. Provide small businesses with practical, user-friendly educational resources to help them understand the law so they can comply with it and identify when they are victims of unlawful conduct.
- **Reach out to workers:** Provide workers and those looking for work, including those in historically underserved communities, with practical, user-friendly educational resources and information to help them identify and report consumer protection violations in the marketplace.
- **Study emerging consumer protection issues:** Identify emerging consumer protection issues relating to the marketplace and technological developments, hold workshops or conferences to examine and solve/improve those issues, and, whenever possible, publish findings or create ways to link the learnings to action to help prevent consumer harm.
- **Work with the media:** Engage the media as part of a strategic communications program to disseminate usable, helpful, clear, and compelling content to the public at large with the goal of ensuring consumers understand what companies did wrong and what the FTC is doing to stop them. Identify and make maximum use of upcoming media opportunities, maintain strong relationships with Washington-based, regional and trade reporters, while continuously seeking new outlets and reporters to maximize the agency's media outreach. Work to make staff available for interviews with print, digital, and broadcast outlets as well as nontraditional outlets such as podcasters and bloggers.
- **Use different communication channels that consumers frequent including trusted leader distribution, digital communications, social media, or physical forms of information dissemination:** Continuously assess where users most digest information from trusted sources to determine their messaging reach and effectiveness, and then add them to the OPA communications toolbox if appropriate. Use these platforms to reach members of the media and those marginalized members of the public who may not receive FTC press releases, blog posts, and other information through traditional sources such as email. Continuously monitor the user experience and performance of FTC information distribution and success including FTC.gov and make improvements to enable visitors to complete their tasks.

External Factors and Risks

- **Budget and staff limitations**
 - Budget limitations affect the FTC's ability to increase both staff and contract support, increase dissemination of information and maximize its reach through web services.
 - Rising costs for supplies and shipping affect the FTC's ability to maintain the present level of distribution of print materials and affect its ability to meet increasing demand as the agency expands its reach to a broader audience.
 - Rising costs of communications platforms that are compliant with the agency and government's cybersecurity requirements, affect the FTC's ability to disseminate and evaluate its online communications.

FY 2022 Progress Update

- **COVID-19:** Consumer and Business Education began its response to the pandemic by developing a multi-media campaign and a dedicated website to alert people about scams associated with the COVID-19 pandemic (ftc.gov/coronavirus and ftc.gov/coronavirus/scams). Since then, American Rescue Plan funds have bolstered and expanded the FTC's outreach efforts, especially to historically underserved communities targeted by COVID-19 scams and issues. After actively engaging with ethnic and community media journalists nationwide to learn about issues affecting these communities, the agency placed multilingual anti-fraud messaging into targeted print and radio markets in 11 languages. This messaging

reached Asian-American, Black, Latino, and Tribal communities on topics related to the pandemic. As the effects of the pandemic have continued, the agency is increasing its outreach on issues related to financial resiliency. This includes advice and resources to learn – and teach others – how to tackle financial issues resulting from or worsened by the pandemic. Further, recognizing the impact of the pandemic on small businesses, the FTC continues to work with the Small Business Administration (SBA), Small Business Development Corporations (SBDCs), and the Better Business Bureau (BBB) nationwide to help business owners in all communities protect their businesses, livelihood, and employees from pandemic-related scams and economic hardship.

- **Outreach to Specific Consumer Audiences:** The FTC creates tailored messages and materials for diverse audiences and collaborates with partner organizations and agencies to disseminate FTC information to their constituents in those target communities. For example, the FTC’s Pass It On campaign (ftc.gov/PassItOn and ftc.gov/Pasalo in Spanish), tailored to people aged 65 and older, is a research-based campaign that shares information about fraud and encourages readers to share the information with a friend. The agency is seeking to expand upon the successful campaign by adding topics and refreshing its approach as part of its Stop Senior Scams Act activities. The agency continues to promote these resources through webinars and presentations in collaboration with other federal agencies such as the Consumer Financial Protection Bureau (CFPB), local government offices on aging, legal services providers, non-profit organizations such as AARP, and at the World Elder Abuse Awareness Day Global Summit.
- **Outreach to Military Service Members:** The FTC has developed and manages the Military Consumer campaign together with the U.S. Department of Defense’s (DoD’s) Office of Financial Readiness and the CFPB, with nearly 50 other military, federal, and state partners. The campaign addresses unique challenges of military life that often make military personnel and families targets for scammers. Service members and their families, along with the DoD’s personal financial managers who serve them, use the campaign website (MilitaryConsumer.gov) as a tool for financial readiness. Two highlights of the campaign (Military Consumer Month in July and Veterans Day in November) feature extensive social media outreach and virtual events with the network of military partners. Since the launch of the campaign in 2017, the Commission has distributed nearly 1.2 million Military Consumer bookmarks to the military community.
- **Protecting Small Businesses:** The FTC continues its focus on educating small business owners about small business financing, data security, and scams and deceptive practices targeting small businesses. Getting information and guidance to small businesses in communities of color is a priority for the agency. Business education materials are available in Spanish and outreach efforts are ongoing to reach minority-owned businesses, as well as women-owned businesses, veteran-owned businesses, and others. BCP staff has collaborated with the SBA, SBDCs, and the Center for Women & Enterprise to offer a webinar in Spanish for small business owners about cybersecurity and scams; staff regularly reaches out to chambers of commerce that represent ethnic business communities to do outreach; and staff have established relationships with the SBA to reach small business owners with advice on scams that target them, and have created free FTC resources small business owners can use to train their employees on cybersecurity basics. The agency also continues to focus on expanding the reach of its Spanish language campaign materials on cybersecurity and the scams that target small businesses, in collaboration with SBDCs, the SBA, and the BBB.
- **Office of Public Affairs:**
 - Successfully launched the new FTC.gov and consumer and business education websites that make it easier for the public to accomplish their tasks, such as reporting fraud and getting a free credit report and finding the information they seek to prevent harm and comply with the law.
 - Created and launched the new FTC.gov Legal Library to make it easier for the public to search and access case information and legal, policy, and guidance documents within a single resource portal.

- Successfully launched and managed Listening Forums and monthly Open Meetings, a first-ever initiative at the direction of the Chair’s office, including real-time virtual engagement with public.

FY 2023 Next Steps and Future Actions to Meet Strategic Objective

- Review the focus and performance of FTC education efforts; determine whether the agency needs to reach new audiences on new topics or in new languages, in light of changes in demographics, emerging digital advertising issues, deceptive marketing practices, and emerging technologies; identify strategies or partnerships that will allow the FTC to reach those audiences; engage in user testing and human-centered testing, as appropriate; and apply learnings from analytics to improve education efforts and products.
- Review the focus and performance of FTC education efforts in reaching historically underserved communities, as described more fully in Objective 1.4.
- Research and apply analytics data, customer satisfaction feedback, and website standards and best practices to continue improving the user experience, performance, and features of the FTC.gov websites.
- Expand the agency’s capacity to target and engage Spanish-speaking media and thereby reach the growing Spanish-speaking population.

Performance Metrics

Metric 1.2.1: Rate of consumer satisfaction with FTC consumer education websites.

(a) Mobile

(b) Desktop

Consumer and business education serves as an important and vital resource in fighting against deception and unfair practices. Well-informed consumers are better able to recognize and report fraud, and well-informed business owners know where the FTC draws the line. This metric gauges the effectiveness, helpfulness, and usability of the FTC’s consumer education website and includes the customer satisfaction scores for consumer.ftc.gov.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
(b) 76.5	(b) 77.7	(b) 76.2	(b) 72.9	(a) 73.5 (b) 73.4	Average government satisfaction rate in FY22 (a) 72.6 (b) 72.8	(a) Exceeded (b) Exceeded	Average government satisfaction rate	Average government satisfaction rate

Metric 1.2.2: Rate of customer satisfaction with the ftc.gov website.

(a) Mobile

(b) Desktop

This metric gathers site visitor feedback to determine the effectiveness of the FTC.gov website in enabling visitors to successfully complete their tasks and find the information they seek. Customer satisfaction is determined in a variety of functional areas and is benchmarked against other federal websites. The data enables the FTC to identify strengths and weaknesses in site components such as navigation, look and feel, search, content, etc., analyze the weaknesses, and take action to mitigate or prevent issues that hamper customer task completion and negatively impact satisfaction.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
(b) 75	(b) 76.7	(a) 74.6 (b) 74.7	(a) 73.5 (b) 70.9	(a) 70.5 (b) 69.1	(a) 73.5 (b) 70.9	(a) Not Met (b) Not Met	(a) 70.70 (b) 69.26	(a) 70.87 (b) 69.44

FY 2022 Highlights: The new FTC.gov websites launched with improved navigation, an updated and more secure platform, a new Legal Library, and a more modern look and feel. Although not unexpected, customer satisfaction numbers declined after launch due to repeat visitors’ initial frustration in finding that content had been relocated or removed. However, numbers were higher among first-time visitors of the site who reported that the look and feel and site information were satisfactory. Repeat visitors’ satisfaction rates are also increasing as the OPA Web and Digital Strategy team continues to improve site navigation and performance.

Metric 1.2.3: Number of outreach events.

The FTC conducts outreach events to provide practical knowledge, guidance, and tools, and to learn about key challenges and opportunities for future FTC engagement.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
N/A	N/A	N/A	N/A	316	Baseline	N/A	300	300

FY 2022 Highlights: In FY 2022, the FTC participated in over 300 outreach events that reached thousands of community leaders and advocates, business owners, librarians, and others in communities across the nation. These events were both in-person and virtual and many focused on traditionally underserved communities. For example, the FTC spoke at a panel to discuss latest initiatives to protect servicemembers, veterans, and families, distributed print materials on cybersecurity at an event targeted to African American business owners, and shared advice on scams that target Latinos and how to avoid and report them, among others.

Metric 1.2.4: Number of unique page views for consumer and business education digital articles and blog posts.

This metric gauges the reach of the agency’s education messages for consumers and businesses via the web. Included in the count are the number of page views of FTC consumer education articles, blog posts, and other materials, as well as the page views of FTC business education plain-language guidance articles and blog posts.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
N/A	N/A	N/A	N/A	39.1 million	Baseline	N/A	35 million	35 million

Secondary Metric 1.2.5: Number of consumer protection reports the FTC issued.

FTC staff prepare reports regarding current important topics in consumer protection, and these reports are the basis for this secondary metric. Consumer protection reports provide information to decisionmakers, both internally and externally, to help them understand important contemporary issues. This metric also ensures that the FTC releases a variety of informative reports to the public that help promote the understanding and awareness of consumer protection issues.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual
18	11	23	13	12

Objective 1.3: Collaborate with domestic and international partners to enhance consumer protection.

Goal Leaders: Director, Bureau of Consumer Protection; Director, Office of International Affairs

Geographic location and other demographics may affect the types of deceptive and unfair conduct that consumers encounter. It is, therefore, important for governmental and non-governmental organizations to share information and resources to enhance consumer protection. The FTC works with partners in the United States and internationally to address consumer protection challenges, including new and emerging ones.

The FTC promotes consumer protection domestically by partnering with federal and state law enforcement in lawsuits that challenge and stop unlawful practices and seek redress for victims. It also promotes consumer protection through advocacy by filing comments with federal, state, and local government bodies and amicus briefs with the courts.

Because telemarketing and internet fraud, privacy violations, and data security breaches are increasingly cross-border in scope, the FTC routinely cooperates and collaborates with its foreign counterparts to implement broad-based international programs that combine cross-border law enforcement, policy, and technical assistance work.

Strategies

- **Collaborate on law enforcement at home and abroad:** Build strong bilateral relations with foreign and domestic counterparts, share information, engage in investigative assistance, and otherwise develop and strengthen enforcement cooperation on investigations, cases, and enforcement-related projects. Cooperate and collaborate with our foreign counterparts on cross-border law enforcement initiatives and policy development consistent with U.S. and global best practices.
- **Provide international technical assistance:** Provide technical assistance to countries that are establishing consumer protection regimes. Provide selected foreign officials with an opportunity to work alongside FTC attorneys, economists, and investigators to enhance their capacity to develop and implement sound consumer protection policy and enforcement.

External Factors and Risks

- **Budget limitations**
 - Budget limitations could lead to fewer investigations and cases, which could decrease the amount of information sharing with domestic and international partners.
 - Limited control over state, local, federal, and international agency and private entity cooperation
 - Hurdles to information sharing can stifle enforcement efforts.
 - Providing international technical assistance would be hampered if external resources are not available, U.S. embassies abroad are not supportive, or foreign governments are not willing to accept U.S. assistance and advice.
- The FTC uses its U.S. SAFE WEB Act authority to expand its international enforcement efforts and continues its outreach efforts to foreign governments to increase cooperation. With the Act due to sunset in 2027, it may be difficult for the agency to enter new, long-term cooperation arrangements without having the information sharing and investigative assistance authority provided by the Act as part of its permanent authority.

- **Impact of COVID-19**

- Due to continuing COVID-19 concerns about in-person gatherings, some foreign counterparts may not have the resources to cooperate with the FTC or may operate only virtually or with reduced goals or priorities that do not align fully with those of the FTC.
 - The International Fellows Program may be hampered if travel restrictions due to COVID-19 resume and/or continue.

FY 2022 Progress Update

- **Domestic Collaboration:** In the enforcement area, the FTC worked closely with its federal, state, and local partners on numerous investigations. The agency's collaborative domestic efforts included its case against Harris Jewelry, brought with a group of 18 states, in which the defendants allegedly deceptively claimed that financing jewelry purchases through Harris would raise servicemembers' credit scores, misrepresented that its protection plans for things like ring and watch sizing and battery replacement were not optional or were required, and added protection plans to purchase without consumers' consent. Under a proposed order with the FTC and multistate group, the company must stop collection of millions of dollars in debt, provide approximately \$10.9 million in refunds for purchased protection plans, provide refunds for overpayments, and assist with the deletion of any negative credit entries pertaining to debt in consumers' credit reporting file. Additional collaborative cases include the case against B4B for allegedly falsely representing that its Earth Tea is clinically proven to treat, cure, and prevent COVID-19, which the FTC brought with DOJ and U.S. Food and Drug Administration, and its auto lending case against Napleton, which the FTC brought with the State of Illinois and resulted in a record-setting \$10 million settlement. The FTC and Utah Department of Commerce Division of Consumer Protection also reached a \$12 million settlement with the operators of Zurixx, a massive real estate investment coaching scheme, and the FTC and Florida Office of the Attorney General reached a partially suspended settlement of \$5.3 million with GDP Network, the operators of an alleged credit card interest rate reduction scam.

The FTC also expanded its criminal referral program as part of its work to stop and deter corporate crime. While the FTC's authority is limited to civil enforcement, the policy statement adopted in early FY 2022 will enhance the agency's efforts to combat the criminal misconduct the FTC uncovers in consumer protection and antitrust investigations. The new measures outlined in the policy statement will ensure that cases are promptly referred to local, state, federal, and international criminal law enforcement agencies so that corporations and their executives are held accountable for criminal behavior.

- **International Collaboration:** Strong cross-border cooperation plays a key role in effective law enforcement. Despite continuing challenges due to COVID-19, in FY 2022, the FTC's Office of International Affairs (OIA) assisted with numerous consumer protection investigations, litigations, and enforcement-related projects. OIA also continued to develop strong bilateral relationships with foreign consumer, privacy, and law enforcement authorities around the globe and represented the agency in international organizations and enforcement networks on a range of complex global consumer policy and enforcement issues, including online frauds, digital advertising, and privacy and data security.

The FTC continues to cooperate with a range of foreign agencies and multilateral organizations on enforcement-related investigations, cases, and projects. In 2020, Congress reauthorized the U.S. SAFE WEB Act, which supports FTC information sharing and investigative assistance with the agency's foreign counterparts. The FTC also continued its active participation in the International Consumer Protection and Enforcement Network (ICPEN). In particular, the FTC supports econsumer.gov, a multilingual, ICPEN complaint collection, information sharing, and consumer education project. During FY 2022 the agency worked with foreign counterparts to add a series of consumer education alerts and added Portuguese

as the site's ninth language. The FTC also continued its leading role in the Global Privacy Enforcement Network (GPEN).

To complement its international enforcement work, the FTC provided input to international policy organizations such as the Organisation for Economic Co-operation and Development (OECD), United Nations Conference on Trade and Development (UNCTAD), Asia-Pacific Economic Cooperation (APEC), and the Global Privacy Assembly, dealing with such issues as dark commercial patterns, artificial intelligence, and international data transfers. The FTC similarly participated in regional networks, such as the Asia Pacific Privacy Authorities Forum, the African Consumer Protection Dialogue, and the Iberoamerican network of consumer authorities (FIAGC). Chair Khan and the European Commissioner for Justice and Consumers, Didier Reynders, announced in March 2022 an agenda for cooperation on consumer issues, and the FTC participated in a G7 project for national authorities to engage in dialogues on various cutting edge privacy topics, leading an initiative to rethink agency remedies.

FY 2023 Next Steps and Future Actions to Meet Strategic Objective

- Continue to work with other U.S. government agencies as appropriate to address global issues of mutual concern, including by engaging with agencies that are developing legislation on consumer and privacy issues, by participating in the negotiation of consumer protection provisions of trade agreements, and to develop mechanisms for transatlantic data flows consistent with strong privacy protections.
- Develop new initiatives with foreign counterparts on consumer fraud and other unlawful conduct, finding new ways of working with foreign counterparts due to continued concerns about in-person gatherings.
- Work with international partners to strengthen cooperation among enforcement partners, bilaterally and through multilateral organizations such as the ICPEN, UCENet, and GAEN (Global Anti-Fraud Enforcement Network). Encourage coordinated enforcement actions that protect U.S. consumers. Enhanced cooperation may include new and expanded initiatives with foreign criminal authorities and private sector partners, particularly in countries that are increasingly the source of fraud directed at American consumers.
- Restart the International Fellows program and pursue technical assistance in appropriate regions, in cooperation with USAID and otherwise, taking into consideration opportunities to enhance enforcement cooperation to protect American consumers.
- Continue to highlight the importance of strong enforcement as a key component of consumer protection, including on privacy and data security and messaging abuses such as robocalls and spam, within the OECD, APEC (including the Digital Commerce Steering Group), the Global Privacy Assembly (formerly the International Conference of Data Protection and Privacy Commissioners), and other multilateral policy organizations.
- Work closely through GPEN and directly with foreign data protection authorities to provide enforcement assistance, which, in appropriate cases, could include information sharing and investigative assistance pursuant to the U.S. SAFE WEB Act.
- Engage in enforcement cooperation pursuant to the APEC Cross-Border Privacy Rules (CBPR) and work to expand membership in the CBPR system.
- Seek permanent reauthorization of the U.S. SAFE WEB Act, which provides the FTC with critical tools for cross-border enforcement and cooperation. On October 20, 2020, the Act was reauthorized with a seven-year sunset provision, expiring in 2027.

- Further develop empirical evidence internationally on effects of new technologies and business models on consumer behavior, including work on measuring the effects of consumer protection, such as measuring harm from consumer fraud and consumer law violations.
- Engage with the Intergovernmental Group of Experts on Consumer Protection at the UNCTAD to develop and implement best practices under the revised 2015 UN Guidelines on Consumer Protection and develop new opportunities for capacity building and technical cooperation with developing agencies.

Performance Metrics

Metric 1.3.1: Number of investigations or cases in which the FTC and other U.S. federal, state, and local government agencies shared evidence or information that contributed to FTC law enforcement actions or enhanced consumer protection.

This metric tracks the amount of information sharing by the FTC and other domestic law enforcement agencies to further the goal of protecting consumers from fraud. The geographic location and other demographics may affect the types of fraud that consumers encounter, making it important for government agencies to share information and resources to enhance consumer protection.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
369	453	551	505	541	375	Exceeded	375	375

FY 2022 Highlights: In FY 2022, BCP shared information with other U.S. federal, state, and local government agencies in 368 investigations or cases. In FY 2022, BCP received information from other U.S. federal, state, and local government agencies in 173 investigations or cases.

Metric 1.3.2: Number of investigations or cases in which the FTC obtained foreign-based evidence or information or engaged in other mutual assistance that contributed to FTC law enforcement actions or in which the FTC cooperated with foreign agencies and/or multilateral organizations on enforcement matters.

The FTC’s Office of International Affairs works to expand cooperation and coordination between the FTC and international consumer protection partners through information sharing, investigative assistance, and the development of investigative best practices and enforcement capacity. This metric counts the number of investigations and cases in which the FTC and foreign consumer protection agencies shared information or engaged in other enforcement cooperation, such as sharing consumer complaints, obtaining corporate records, and providing other investigative information.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
43	48	42	39	32	20	Exceeded	20	32

FY 2022 Highlights: In FY 2022, the FTC cooperated in 32 instances on consumer protection and privacy matters to obtain or share evidence or engage in other enforcement cooperation in investigations, cases, and enforcement related projects.

Objective 1.4: Support equity for historically underserved communities through the FTC’s consumer protection mission.

Goal Leaders: Director, Bureau of Consumer Protection; Director, Bureau of Economics

The FTC is committed to protecting the public, including meaningfully addressing barriers that historically underserved communities face in participating in and benefiting from a fair and thriving marketplace. Research shows that certain practices may harm some consumers more than others, and companies employing emerging technologies may engage in deceptive or unfair practices that are especially harmful to historically underserved communities.

The FTC’s Every Community Initiative uses research and collaboration to ensure that the FTC is responsive to the needs of historically underserved communities. Historically underserved communities include Black Americans, Latinos, Indigenous/Native American peoples, Asian American/Pacific Islanders or other persons of color, members of religious minorities, lesbian, gay, bisexual, transgender, and/or queer persons, persons with disabilities, persons who live in rural areas, and persons adversely affected by persistent poverty or inequality. The Every Community Initiative also works to address consumer protection issues facing older adults as well as servicemembers, veterans, and their families, including during the transition to civilian life.

Strategies

- **Evaluate and bring action against conduct that harms historically underserved communities:** Evaluate the impact of deceptive or unfair practices in the use of emerging technologies, such as algorithmic bias, on historically underserved communities. Ensure that enforcement addresses deceptive or unfair practices conducted in languages other than English, including Native American languages. Bring enforcement actions to stop identified conduct.
- **Engage with and reach out to historically underserved communities:** Provide historically underserved communities with practical, language-appropriate, and user-friendly educational resources and information to help them understand how the FTC is protecting them and to identify and report market power abuses and consumer protection violations in the marketplace. Reach new audiences, including those who have not traditionally sought information directly from the FTC, through established outreach strategies, new technologies, and private and public partnerships.

External Factors and Risks

- **Resource Constraints**
 - Budget limitations affect the FTC’s ability to increase staff, including bilingual staff, enforcement actions, and outreach.
 - Budget limitations affect the FTC’s ability to increase contract support for translation services.

FY 2022 Progress Update

The FTC is committed to serving historically underserved communities through vigorous law enforcement actions, meaningful community engagement and dialogue, and the pursuit of insightful research.

- **Serving Communities of Color Report:** Recognizing that deceptive or unfair practices may target and affect people from different communities in unique ways, in October 2021, the Commission issued the Serving Communities of Color staff report providing updates on its efforts to serve communities of color through aggressive law enforcement, outreach, education, and research on reporting rates of different consumer issues to inform the FTC’s work. The report provided an update on the FTC’s progress in the past five years, including bringing more than 25 enforcement actions in which the Commission could identify that the conduct targeted or disproportionately impacted communities of color. The report also detailed

outreach efforts to reach communities of color by listening to and working with trusted sources in those communities to deliver consumer protection messages in an effective way.

- **Enforcement Actions Impacting Historically Underserved Communities:** Since October, the FTC has filed eight actions in which the Commission has identified that the conduct targeted or disproportionately impacted historically underserved communities. For example, the FTC and the Illinois Attorney General charged the Ed Napleton Automotive Group with tacking illegal junk fees for unwanted “add-ons” onto customers’ loans and discriminating against Black consumers by charging them more for financing. In the largest fair lending case in FTC history, Napleton paid a record-setting \$10 million to settle the case and is required to implement a fair lending program. In May, the FTC took action against Financial Education Services and its owners for scamming consumers out of more than \$213 million in a sprawling bogus credit repair scheme. The FTC’s complaint alleges that the company preys on consumers with low credit scores by luring them in with the false promise of an easy fix and then recruiting them to join a pyramid scheme selling the same worthless credit repair services to others. The company targeted English and Spanish-speaking consumers. Litigation in this matter is ongoing.
- **Outreach to Historically Underserved Audiences:** The FTC continues its commitment to reaching historically underserved audiences, including through a series of ethnic and community briefings and roundtables. Recent virtual briefings have connected ethnic and community media with FTC experts on how fraud impacts communities of color; on scams and bad business practices in auto buying; and on job and money-making scams that plague historically underserved audiences. Geographically based roundtables have connected the FTC with local law enforcement, legal services, community advocates, and ethnic media. Audiences reached include rural and Tribal communities in Alaska, Colorado, Indiana, Montana, New Mexico, South Dakota, and Wyoming; the Hmong, Latino, Black, and immigrant communities in Minneapolis; and Chinese, Korean, Latino, Black, South Asian, and immigrant communities in Chicago. The result has been numerous, in-language articles and radio spots in local and ethnic media, reaching not only those targeted communities via a source they trust, but also carrying the messages into less-reached rural communities, sharing practical and actionable advice, and encouraging reporting to the FTC.
- **Hearing from Historically Underserved Audiences:** The FTC continues its commitment to hear from historically underserved audiences about the consumer problems they face. The FTC provides information and takes reports in English and Spanish on its reporting websites reportfraud.ftc.gov/ reportefraude.ftc.gov and identitytheft.gov/robodeidentidad.gov, and through its call center. The agency’s Community Advocate Center works with providers of free and low-cost legal services to formally provide reports to the FTC from the communities they serve.

FY 2023 Next Steps and Future Actions to Meet Strategic Objective

- Evaluate whether enforcement activities are addressing practices that target or disproportionately impact historically underserved communities, and whether these areas require additional law enforcement focus. This includes development of a strategy to ensure that enforcement actions address deceptive or unfair practices conducted in languages other than English.
- Review the focus and performance of FTC education efforts to reach historically underserved communities; determine whether the agency needs to reach new audiences on new topics, in light of changes in demographics, emerging digital advertising issues and deceptive marketing practices, and emerging technologies; identify strategies or partnerships that will allow the FTC to reach those audiences; engage in user testing and human-centered testing, as appropriate, and apply learnings from analytics to improve education efforts and products.
- Continue to refine data collection and analysis for new metrics.

- Implement the agency’s Equity Action Plan, which includes developing a toolkit to aid staff in evaluating the impact of deceptive or unfair practices in the use of emerging technologies (e.g., algorithmic bias and the gig economy) on underserved communities.

Performance Metrics

Metric 1.4.1: Percentage of actions taken to stop unfair or deceptive practices that we have identified as 1) targeting historically underserved communities; 2) disproportionately impacting historically underserved communities; 3) involving schemes or practices that research has shown to disproportionately impact historically underserved communities; or 4) involving conduct in languages other than English, including Native American languages.

The FTC’s core mission is to protect all consumers from unfair and deceptive practices in the marketplace. Fraud as well as certain other business practices, have a disproportionately negative impact on communities of color, as well as other historically underserved communities. This metric seeks to gauge the impact of FTC law enforcement actions on historically underserved communities.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
N/A	N/A	N/A	N/A	23.4%	Baseline	N/A	20%	20%

FY 2022 Highlights: In FY 2022, 23.4 percent of BCP’s enforcement actions involved conduct that had an impact on historically underserved communities. For example, some of these cases involved allegedly discriminatory car financing terms, deceptive credit repair offers, and fraudulent pandemic-relief grants.

Metric 1.4.2: Percentage of redress payments made to people who live in communities that have a high proportion of members of historically underserved communities.

The FTC works to halt illegal conduct harming historically underserved communities. FTC actions may result in redress payments to those harmed by the defendants’ actions. This metric seeks to gauge the impact of those FTC law enforcement actions that result in redress payments by measuring the degree to which people in historically underserved communities receive payments.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
N/A	N/A	N/A	N/A	35.1%	Baseline	N/A	30%	30%

FY 2022 Highlights: In FY 2022, 35.1 percent of redress payments were made to people who are likely to be members of historically underserved communities. Within the 35.1 percent, 18.5 percent of the payments went to people who are likely to be Black Americans, 12.7 percent to people who are likely to be Latino Americans, 3.1 percent to people who are likely to be Asian Americans/Pacific Islanders, and 0.8 percent to people who are likely to be Indigenous/Native American persons. FTC redress programs that had a notable impact on historically underserved communities include Amazon Flex, AMG Services, Tate’s Auto, Fashion Nova, Student Debt Doctor, and Teami. In FY22, these redress programs resulted in more than \$97 million in refunds to consumers who are likely to be members of historically underserved communities.

Metric 1.4.3: Number of outreach events targeting diverse audiences.

The FTC conducts outreach and events to reach out to historically underserved communities to deliver timely and actionable consumer protection advice, hear about the consumer issues they experience, and help staff develop specific education messages and resources.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
N/A	N/A	N/A	N/A	179	Baseline	N/A	165	165

FY 2022 Highlights: In FY 2022, the FTC participated in at least 179 events that reached advocates, consumers, and intermediaries who are trusted sources in the diverse communities they serve. For example, the FTC distributed hundreds of printed copies of educational material at in-person events that reached African American small business owners, librarians from small and rural communities, and Native American tribal leaders. The FTC also presented at virtual outreach events attended by community-based organizations serving Hispanic communities across the country, volunteers of the Senior Medicare Patrol, and ethnic media reporters.

Secondary Metric 1.4.4: Number of new organizations that partner with the FTC through the Community Advocate Center initiative.

The FTC's Community Advocate Center initiative is aimed at partnering with community legal aid organizations to expand its outreach to lower-income communities to encourage them to report fraud and provide them with advice to help recover. The Community Advocate Center initiative provides a way for organizations that provide free and low-cost legal services to report fraud and other illegal business practices their clients have experienced directly to the FTC on behalf of their clients. By participating with the FTC's Community Advocate Center, organizations can connect members of their communities to specific, concrete steps they can take to try to get their money back.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual
N/A	N/A	N/A	N/A	10

Strategic Goal 2: Protect the Public from Unfair Methods of Competition in the Marketplace and Promote Fair Competition.

The FTC's efforts to prevent and police unfair methods of competition focus on preventing anticompetitive mergers and business practices through enforcement. The FTC also engages in policy research and development, advocacy, and education to deter anticompetitive practices and encourage federal, state, and local governments to evaluate the effects of their policies on fair competition. The FTC advances these goals internationally by fostering enforcement and policy convergence and through case cooperation with counterpart foreign enforcement authorities. This work is critical to protect and strengthen free and open markets – the cornerstone of a vibrant economy.

Four objectives guide work in this area:

- **Objective 2.1:** Identify, investigate, and take actions against anticompetitive mergers and business practices.
- **Objective 2.2:** Engage in research, advocacy, and outreach to promote public awareness and understanding of fair competition and its benefits.
- **Objective 2.3:** Collaborate with domestic and international partners to check unfair methods of competition.
- **Objective 2.4:** Support equity for historically underserved communities through the FTC's competition mission.

Strategic Goal 2 Metrics	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2023 Target	FY 2024 Target
Objective 2.1						
Metric 2.1.1 Total consumer savings and other measurable benefits generated by antitrust enforcement.	\$2.68 billion	\$2.77 billion	\$3.12 billion	\$2.4 billion	\$2.4 billion	\$2.4 billion
Metric 2.1.2 Total consumer savings and other measurable benefits generated by antitrust enforcement compared to resources spent.	\$34.40 in consumer savings per \$1 spent	\$34.70 in consumer savings per \$1 spent	\$37.30 in consumer savings per \$1 spent	\$35.00 in consumer savings per \$1 spent	\$35.00 in consumer savings per \$1 spent	\$35.00 in consumer savings per \$1 spent
Metric 2.1.3 Percentage of cases and investigations involving collaboration with BCP.	N/A	N/A	5%	Baseline	Baseline	TBD
Metric 2.1.4 Percentage of antitrust matters seeking significant remedial, precedential, or deterrent effects across the marketplace.	N/A	N/A	58%	Baseline	Baseline	TBD
Metric 2.1.5 Percentage of full-phase investigations that (1) proceeded to litigation that ultimately halted or deterred lawbreaking or resulted in greater clarification of the law, or (2) ended when a merger was abandoned in anticipation of an FTC challenge.	N/A	N/A	38%	Baseline	Baseline	TBD
Objective 2.2						
Metric 2.2.1 Number of reports and studies issued on competition related topics.	7	8	6	8	7	7
Metric 2.2.2 Number of cases for which BE economists prepared to testify as expert witnesses in FTC antitrust enforcement actions.	N/A	N/A	5	Baseline	Baseline	TBD
Metric 2.2.3 Percentage of competition advocacy matters filed with entities including federal and state legislatures, agencies, or courts that were successful.	N/A	N/A	N/A	Baseline	Baseline	TBD
Objective 2.3						
Metric 2.3.1 Percentage of FTC cases involving at least one substantive contact with a foreign antitrust authority in which the agencies followed consistent analytical approaches and reached compatible outcomes.	100%	100%	100%	90%	85%	85%

Strategic Goal 2 Metrics	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2023 Target	FY 2024 Target
Objective 2.4						
Metric 2.4.1 Dollar value of harm from potentially anticompetitive conduct and transactions having an adverse economic impact on consumers, workers, and small businesses in historically underserved communities.	N/A	N/A	< Poverty Line: \$343.1m Hispanic: \$476.4m Other Underserved Communities: \$358.1m	Baseline	Baseline	TBD
Metric 2.4.2 Percentage of populations impacted by actions taken to maintain competition who belong to historically underserved communities.	N/A	N/A	< Poverty Line: 11.8% Hispanic: 15.7% Other Underserved Communities: 11.8%	Baseline	Baseline	TBD
Metric 2.4.3 Percentage of actions taken to maintain competition where the merger or conduct was identified as adversely impacting historically underserved communities.	N/A	N/A	25%	Baseline	Baseline	TBD

Objective 2.1: Identify, investigate, and take actions against anticompetitive mergers and business practices.

Goal Leaders: Director, Bureau of Competition; Director, Bureau of Economics

Anticompetitive mergers and business practices harm Americans through higher prices, lower wages, or reduced quality, choice, and innovation. Enforcement of antitrust laws provides substantial benefits to the public by helping to ensure that markets are open and competitive.

The FTC's Bureaus of Competition and Economics investigate proposed and consummated mergers, as well as business conduct that may be anticompetitive. The FTC takes enforcement action when it has reason to believe that mergers or conduct are unlawful, using its enforcement tools (including federal court and administrative litigation and consent orders) to prevent or remedy harm. In each case, the FTC strives to efficiently address the competitive concerns raised by a merger or business practice and works toward a solution that maintains competition in the marketplace without unduly burdening legitimate business activity.

The Hart-Scott-Rodino (HSR) Premerger Notification Act is the FTC's primary tool in identifying anticompetitive mergers. The FTC administers the HSR program for itself and the Antitrust Division of the Department of Justice (DOJ), which shares authority to challenge anticompetitive mergers. Premerger notification gives the agencies the opportunity to block or remedy proposed mergers before they are consummated. Both for mergers not subject to HSR notification requirements and for anticompetitive conduct matters, the FTC relies on other tools such as referrals, the trade press, consumer and competitor complaints, and other means to identify potential or ongoing harm to competition.

Strategies

Investigate: Investigate potentially anticompetitive mergers and business conduct efficiently using rigorous, economically sound, and fact-based analyses that enhance enforcement outcomes for the benefit of consumers, workers, and honest businesses.

Enforce the antitrust laws: Enforce the law to protect all segments of the population from anticompetitive mergers and business practices, including by enforcing federal court and administrative orders obtained by the FTC.

Improve compliance: Improve oversight to ensure compliance with Commission orders and with HSR reporting obligations. Increase the use of structural remedies in consent orders and seek increased use in litigated matters. Likewise, decrease the use of behavioral remedies in consent orders and seek them less often in litigated matters. Encourage parties to propose standalone, operating businesses as settlements. Increase use of provisions to improve worker mobility including restricting the use of non-compete provisions. Seek higher penalties for order violations and HSR violations. Increase use of prior approval provisions to prevent illegal transactions in the same markets as those already under order. Provide transparency in the decision-making process through comment periods, press releases, blog posts, updated policy guidance, and analyses to aid public comment.

Improve litigation skills: Improve negotiation and litigation skills and refine investigative and decisional tools through continuous learning. Negotiate merger and nonmerger consent orders and pursue litigated orders that have significant remedial, precedential, and deterrent effects.

External Factors and Risks

Resource constraints

- Investigations and litigation are increasingly complex because of the need to process, store, and review large amounts of electronic discovery materials and the need to hire economic and other experts. This complexity, coupled with fluctuations in merger activity and complaints of potentially harmful business conduct, can put pressure on the FTC's staffing and financial resources.

HSR Statutory Deadlines

- The HSR Act provides the agencies with a 30-day window to determine whether a deal warrants close investigation and then a 30-day timeline to make a decision whether or not to challenge a merger after parties certify they have “substantially complied” with the investigatory requests. Given increased volume and complexity of transactions and our limited staffing resources, this imposes further strain on the agency’s ability to scrutinize potentially anticompetitive transactions.

State and federal legislative and judicial landscape

- The ever-evolving legislative landscape, with respect to both federal and state antitrust enforcement authority, may directly impact the Commission’s ability to challenge anticompetitive mergers and business conduct. The dynamic environment also pushes staff to identify different approaches to enforcement to preserve competition for the benefit of the American public.

FY 2022 Progress Update

Despite the lingering effects of a global pandemic, the agency continued its vigorous enforcement by bringing 24 competition enforcement actions; in seven matters the Commission initiated federal court or administrative litigation, and in 12 other matters the Commission issued consent orders to remedy prospective harm to competition. Notably, in a continued effort to maximize enforcement effectiveness, each of the consent orders issued by the Commission included tailored prior approval provisions—a powerful enforcement tool that provides the Commission with advance notice of certain future transactions and the opportunity to review them, allowing staff to efficiently guard against potential harm to competition in markets of known concern. In an additional five merger matters, the parties abandoned or restructured their proposed acquisitions to address Commission concerns that the original transaction likely would have harmed competition; these results preserved competition in the affected markets, without resource-intensive litigation.

Technology

- **Monopolization in Technology Markets:** The Commission has devoted substantial resources to rooting out and challenging anticompetitive practices in dynamic technology markets. While the public may benefit from new products and services available on popular platforms, they may also be harmed by anticompetitive conduct; therefore, the FTC is committed to aggressively pursuing antitrust enforcement to root out these practices and protect the public. Notably, in December 2020 the Commission authorized staff to file a landmark monopolization case against Facebook (now Meta) in federal court. The complaint alleged the company has engaged in a systematic strategy, including the acquisition of nascent competitors, to maintain its monopoly, thereby allowing Meta to impose anticompetitive terms on software developers. After the judge granted Meta’s motion to dismiss the FTC’s complaint, the Commission filed an amended complaint in August 2021. In January 2022, the judge denied Meta’s motion to dismiss the amended complaint. This matter is pending in federal court. The FTC continues to monitor new and emerging areas in technology markets, including virtual reality. In July 2022, the FTC filed a second case against Meta, this time seeking to block the acquisition of Within Unlimited and its popular virtual reality dedicated exercise app, Supernatural. The Commission filed an amended complaint in October 2022 alleging that the proposed acquisition would tend to create a monopoly in the virtual reality dedicated fitness app market. The complaint further alleges that absent the proposed acquisition, Meta would likely have entered the VR dedicated exercise app market, leading to deconcentration in the market. In January 2023, the Judge found that the facts did not support issuing a preliminary injunction in the matter, although the Court’s decision clarified in a helpful way some of the legal principles that, in the past, had made such challenges in tech markets difficult to pursue as a matter of law.
- **Semiconductor Chips:** In December 2021, the FTC initiated administrative adjudication to block U.S. chip supplier Nvidia Corp.’s \$40 billion acquisition of U.K. chip design provider Arm Ltd. Semiconductor chips

power computers and technologies that are essential to our modern economy and society. The proposed vertical integration of Nvidia and Arm would have given one of the largest chip companies control over licensed computing technology and designs that rival firms rely on to develop their own competing chips. The FTC's complaint alleged that the combined firm could stifle innovative next-generation technologies, including chips that power a wide range of modern computing devices from smartphones to tablets to driver-assistance systems to computers in large datacenters. Because Arm's technology is a critical input that enables competition between Nvidia and other chipmakers in several markets, the complaint alleged that the proposed merger would give Nvidia the ability and incentive to use its control of this technology to undermine its competitors, reducing competition and ultimately resulting in reduced product quality, reduced innovation, higher prices, and less choice, harming the millions of Americans who benefit from Arm-based products. The parties abandoned this transaction shortly after the Commission issued its complaint.

Healthcare and Pharmaceuticals

The healthcare and pharmaceutical sectors were again a priority area for competition enforcement. The FTC works to promote competition in healthcare by eliminating impediments to entry by generic drug producers, stopping illegal conduct by providers of healthcare products and services, preventing anticompetitive mergers in the industry, and using its policy tools to advocate for sound competition policy within the United States and globally where appropriate.

- **Healthcare Mergers:** The FTC continued its enforcement against anticompetitive mergers and acquisitions of healthcare providers. This year, the FTC issued administrative complaints and authorized staff to seek a preliminary injunction in federal court in three merger matters involving the provision of healthcare services. In all three matters, the parties abandoned their proposed acquisitions shortly after the FTC issued its complaint.

In the first matter, in February 2022 the FTC authorized staff to seek injunctive relief blocking the proposed merger of Rhode Island's two largest healthcare providers, alleging the deal would lead to higher prices and lower quality care. The FTC, jointly with the Rhode Island Office of the Attorney General, filed a complaint in federal district court seeking to block Lifespan Corp.'s proposed acquisition of Care New England Health System. According to the complaint, both Lifespan and Care New England offer a broad range of essential medical and surgical diagnostic and treatment services that require an overnight hospital stay, known as inpatient general acute care, or GAC, services. They also operate the only two standalone inpatient behavioral health facilities in Rhode Island. The complaint alleged that the proposed merger would likely reduce competition in the state of Rhode Island and 19 nearby Massachusetts communities for inpatient GAC hospital services and inpatient behavioral health services by increasing the combined firm's ability to raise hospital rates, leading to higher individual premiums, co-pays, and deductibles, and reducing incentives to invest in quality of care, access to services, and technology.

In a second matter, the Commission authorized an administrative complaint and a lawsuit in federal court to block the proposed merger between Utah healthcare competitors HCA Healthcare and Steward Health Care System. The complaint alleged that the deal would eliminate the second and fourth largest healthcare systems in the Wasatch Front region, where approximately 80 percent of Utah's residents live. The companies provide inpatient GAC services and compete for inclusion in insurer networks, as well as for health care quality, service lines, and nurse and physician recruitment. The complaint further alleged that the transaction would significantly increase market concentration levels in an already highly concentrated geographic market, enabling HCA to command even higher reimbursement rates from commercial insurers that likely would pass on at least a portion of those higher healthcare costs to employers and health plan members in the form of increased premiums, deductibles, co-pays, and other out-of-pocket expenses.

In the third matter, the FTC authorized an administrative complaint and sought injunctive relief in federal court to block the acquisition by RWJBarnabas (RWJ) of Saint Peter's Healthcare System, one of the largest hospital systems in New Jersey. The complaint alleged that in Middlesex County, NJ, the acquisition would have harmed competition for inpatient GAC services by giving the combined healthcare system a market share of approximately 50 percent, easily resulting in a presumption of harm under the antitrust laws. RWJ and St. Peter's are direct competitors and both systems routinely identify the other as the most significant competitor when assessing competition and strategizing on providing GAC services in Middlesex County. Absent this head-to-head competition, the combined system would have reduced incentives to improve quality, technology, amenities, equipment, access to care, and service offerings.

In another healthcare matter, the Commission issued a consent order to resolve allegations that DaVita Inc.'s proposed acquisition of the University of Utah Health's dialysis clinics would reduce competition for vital outpatient dialysis services in the Provo, Utah, market. According to the FTC's complaint, there are only three providers of outpatient dialysis services to patients in the greater Provo, Utah, area. The acquisition would have eliminated actual, direct, and substantial competition between dialysis clinics owned by DaVita and University of Utah Health and would have tended to create a monopoly. Under the proposed order, DaVita is required to divest three Provo-area dialysis clinics to Sanderling Renal Services, Inc. and is prohibited from entering into or enforcing non-compete agreements and other employee restrictions. Importantly, under the order, DaVita is also required to receive prior approval from the FTC before acquiring any new ownership interest in a dialysis clinic anywhere in Utah for a period of ten years. This critical tool will help the Commission quickly identify and ultimately prevent future facially anticompetitive deals by DaVita, a particularly acquisitive company.

- **Pharmaceutical, Medical Device and Diagnostics Mergers:** During FY 2022, the FTC reviewed numerous proposed and consummated acquisitions in the pharmaceutical and medical device industries and took action to preserve competition when needed.

In November 2021, the FTC issued a consent order requiring generic drug marketers ANI Pharmaceuticals Inc. and Novitium Pharma LLC to divest, to Prasco LLC, ANI's development rights to one generic drug used to treat common infections and assets with respect to another generic drug used to treat inflammation. The settlement resolved charges that ANI's \$210 million acquisition of Novitium likely would be anticompetitive in the markets for generic sulfamethoxazole-trimethoprim oral suspension, also known as SMX-TMP, and generic dexamethasone tablets. According to the complaint, generic SMX-TMP oral suspension is an antibiotic used to treat a variety of infections, including ear infections, urinary tract infections, and bronchitis. ANI is a current participant in this market, while Novitium is one of a limited number of companies well positioned to enter. Generic dexamethasone tablets are an oral steroid product used to treat inflammation associated with a variety of conditions, including certain types of arthritis, allergic reactions, skin diseases, and breathing problems. Both ANI and Novitium have products in development in this market and the acquisition would eliminate a potential entrant in an already concentrated market. Without a remedy, the acquisition would likely harm future competition in U.S. markets for both of these generic products. Under the terms of the order, ANI and Novitium were required to divest ANI's rights and assets to generic SMX-TMP oral suspension and generic dexamethasone tablets to Prasco within 10 days after the acquisition was final. The order also contained prior approval provisions that gives the Commission notice and approval rights for future related acquisitions in these markets.

In April 2022, the FTC issued a consent order to remedy concerns that Hikma Pharmaceuticals PLC's \$375 million acquisition of Custopharm Inc. would have harmed competition in the market for the corticosteroid drug triamcinolone acetonide, or TCA. The order requires Custopharm to divest its TCA-related assets to another subsidiary, Long Grove Pharmaceuticals LLC. The order also preserves nascent competition in the market for generic TCA by removing any incentive for Hikma to terminate or delay the marketing of the

TCA product in its own development pipeline, which historically leads to lower prices for patients. Further, the consent agreement requires Long Grove to maintain the competitive viability of the retained TCA assets going forward and requires Hikma to seek prior Commission approval for future acquisitions related to TCA.

In a medical device matter, in May 2022 the FTC issued a consent order placing conditions on Medtronic Inc.'s proposed acquisition of Intersect ENT, Inc. The order required Medtronic to divest Intersect subsidiary, Fiagon, which makes ear, nose, and throat navigation systems and balloon sinus dilation products, to Hemostasis LLC to prevent concentration and ultimately harm to patients. According to the complaint, Medtronic is a global medical device company that is a dominant provider of ENT navigation systems, which allow physicians to view and track the location of instruments during sinus procedures. Medtronic also develops and markets balloon sinus dilation products, which physicians use to clear blocked sinuses. Intersect is a California-based medical device company that focuses on devices for ENT procedures, and its Fiagon subsidiary is a nascent competitor in the U.S. markets for both ENT navigation systems and balloon sinus dilation products. The order also imposes prior approval requirements on Medtronic, Intersect, and the divestiture buyer.

In addition to these cases, in June 2022 the FTC issued the “[Policy Statement on Rebates and Fees](#)” in Exchange for Excluding Lower-Cost Drug Products to explain its enforcement policy relating to instances when large rebates and fees paid by drug manufacturers to pharmacy benefit managers leads to lower-cost drugs being excluded from formularies or patients being steered to higher-cost drugs.

- **Veterinary Healthcare Services:** In June 2022, the FTC twice took action against JAB Consumer Partners to prevent the private equity firm from consolidating control over specialty and emergency veterinary clinics. Pet owners rely on emergency clinics when they need care at all hours, including when general practice veterinarians are closed. Pet owners rely on specialty veterinarians for services that are beyond those typically offered by general veterinarians, such as internal medicine, neurology, medical oncology, critical care, ophthalmology, and surgery. The Commission issued two complaints alleging that JAB's proposed \$1.65 billion acquisition of the parent company of veterinary clinic owner Ethos, as well as its \$1.1 billion acquisition of SAGE Veterinary Partners, likely would have harmed competition for various veterinary care services in local markets in Virginia, Washington, DC, Colorado, Texas, and California. To remedy competitive concerns, the Commission issued two consent orders requiring JAB to divest clinics in each of the already highly concentrated geographic markets. In both matters the Commission imposed robust prior approval and prior notice requirements on JAB's future acquisitions of specialty and emergency veterinary clinics, and both orders also impose prior approval requirements on the divestiture buyers.

Consumer Goods and Services

The Commission continued to take action to preserve competition in the consumer goods and services sector.

- **Retail Grocery Stores:** In November 2021, the FTC issued a consent order requiring New York-based supermarket operators The Golub Corp. and Tops Market Corp. to divest assets in order to settle charges that their proposed merger would likely be anticompetitive in 11 local markets across upstate New York and Vermont. The FTC consent order requires Golub Corp, operator of Price Chopper, and Tops to divest to C&S 12 Tops stores and related assets in the affected communities. The order also requires the parties to obtain the FTC's prior approval before selling or acquiring supermarkets in the affected markets.

Energy

The FTC devotes significant resources to investigating competition issues in energy markets, which are critically important to American consumers, workers, and businesses. This year, the FTC continued to carefully scrutinize proposed acquisitions involving energy products and took enforcement action when warranted.

- **Gasoline and Diesel Fuel:** In December 2021, Global Partners LP and Richard Wiehl agreed to divest to Petroleum Marketing Investment Group LLC seven stores that sell gasoline and diesel fuel in five local markets in Connecticut, to settle FTC charges that Global's proposed acquisition of 27 Wheels retail gasoline and diesel outlets owned or operated by Wiehl violated federal antitrust laws. According to the complaint, markets for retail gasoline and retail diesel fuel are highly localized, and consumers have no economic or practical alternatives to the retail sale of gasoline or diesel fuel. In addition to the divestment, the order also imposes prior approval requirements on Global and the divestiture buyer.

In March 2022, EnCap Energy Corp. agreed to divest its entire business and assets in Utah to resolve FTC allegations that its proposed \$1.445 billion acquisition of EP Energy Corp. would eliminate head-to-head competition between two of only four significant producers of Uinta Basin waxy crude oil in Salt Lake City, increasing the likelihood of collusion or coordination among the remaining competitors. Uinta Basin waxy crude possesses distinct qualities that make it both difficult to transport and especially valuable for producing transportation fuel and other petroleum products, and Salt Lake City-area refiners have invested capital to optimize certain equipment to best utilize Uinta Basin waxy crude. Under the proposed settlement, EnCap is required to divest EP's business and assets in Utah to Crescent Energy Company introducing a new, experienced competitor in the Uinta Basin. The order also imposes prior approval requirements on both EnCap and the divestiture buyer.

In another oil and gas matter, the FTC issued a consent order requiring pipeline and storage companies Buckeye Partners LP and Magellan Midstream Partners LP to divest to U.S. Venture Inc. petroleum terminals in two states as a condition of Buckeye's \$435 million proposed acquisition of 26 Magellan terminals. Terminals and terminaling services are critical to the efficient distribution of gasoline and other light petroleum products to end users. Without a remedy, the acquisition would harm competition for terminaling services both for all light petroleum products and for gasoline specifically in three markets in South Carolina and Alabama. In all three geographic markets, the acquisition would eliminate the close competition between Buckeye and Magellan, increase the likelihood of collusive or coordinated interaction between the remaining competitors, reduce the number of terminaling options for third-party customers, and increase prices for terminaling services. The consent agreement settling the FTC's complaint requires Buckeye to sell five terminals and associated assets to divestiture buyer U.S. Venture within 10 days of consummation. Going forward, both Buckeye and the divestiture buyer are subject to prior approval requirements.

In still another oil and gas matter, the Commission issued a consent order to restore competition in gasoline and diesel markets in Michigan and Ohio by requiring ARKO Corp. and its subsidiary GPM to roll back provisions of their 2021 acquisition of 60 Express Stop retail fuel outlets from Corrigan Oil Company. The order establishes limits on an agreement not to compete imposed on Corrigan Oil and returns to Corrigan operational control of five retail fuel outlets in five Michigan markets. According to the complaint, the agreement not to compete inappropriately included markets outside of those where the 60 retail fuel outlets were purchased, was unreasonably overbroad in geographic scope in the 60 markets where fuel outlets were acquired and was unreasonable in duration. In order to prevent future harm to competition in the relevant markets, the order imposes a prior approval provision requiring ARKO to seek Commission approval before acquiring retail fuel assets in the immediate vicinity of the returned locations for a period of 10 years.

Defense

The FTC remains vigilant in investigating potential harm to competition in critical defense industry markets, working with the U.S. Department of Defense (DoD) as necessary to ensure that antitrust analysis is considered in tandem with national security and other interests implicated by these sensitive transactions.

- **Missile Systems:** In January 2022, in its first litigated defense merger challenge in decades, the FTC authorized staff to seek injunctive relief blocking Lockheed Martin Corporation’s \$4.4 billion proposed vertical acquisition of Aerojet Rocketdyne Holdings Inc. Aerojet supplies advanced power, propulsion, and armament systems, which are critical components for the missiles made by Lockheed and other defense prime contractors. The agency’s complaint alleged that Lockheed’s proposed acquisition of Aerojet would have given Lockheed control over critical propulsion inputs that its rivals require to compete against Lockheed. DoD reviewed the acquisition and considered the potential impacts of the transaction on national security, the nation’s industrial and technological base, competition, and innovation. As part of this assessment, DoD facilitated a series of FTC-led interviews with DoD-impacted stakeholders. DoD’s assessment was provided to the FTC for its deliberations and final decision-making. The complaint further alleged that as a subcontractor, Aerojet has had access to prime contractors’ sensitive information about technological advancements, cost, schedule, and business strategies and that, post-acquisition, Lockheed would have an incentive to exploit this knowledge to gain an advantage in competitions against these parties. The U.S. government in turn would be harmed because the cost of missile systems, missile defense kill vehicles, and hypersonic cruise missiles would likely increase, innovation would be lessened, and quality would be reduced, hindering national security and defense interests. Shortly after the complaint was issued, the parties abandoned their proposed transaction.

Chemicals and Industrial Goods

The FTC continues to devote significant resources to maintain competition in markets for chemicals and industrial goods.

- **Pesticides:** In September 2022, the FTC filed a complaint in federal court alleging that pesticides manufacturers Syngenta Crop Protection and Corteva, Inc. paid distributors to block competitors from selling cheaper generic pesticide products. According to the Commission’s complaint, the firms used so-called “loyalty programs” through which distributors only received payment by limiting business with competing manufacturers. The firms’ alleged scheme artificially extended the useful life of expired patent monopolies, enabling the firms to charge higher prices to farmers who need these products to protect their crops, as well as to smaller pesticide manufacturers, and consumers. The Commission action seeks to enjoin the illegal pay-to-block scheme and restore competition to affected markets. This matter is pending in federal court.
- **Glass-Based Coatings/Colorants:** In April 2022, the FTC issued a consent order to remedy allegations that Prince International Corp.’s proposed acquisition of Ferro Corp. would likely have harmed competition in the North American market for porcelain enamel frit and in the world markets for forehearth colorants and glass enamel. According to the complaint, these products are used in range of applications, including the manufacture of porcelain enamel coatings and glass colorants. The Commission’s order preserves competition in all three markets by requiring Prince and Ferro to divest to KPS Capital Partners LP three Prince facilities: a porcelain enamel frit and forehearth colorants plant in Leesburg, Alabama; a porcelain enamel frit and forehearth colorants plant and research center in Bruges, Belgium; and a glass enamel plant in Cambiago, Italy. The order also requires both the newly merged company and the divestiture buyer to obtain prior FTC approval for 10 years for certain future transactions involving these product markets.

FY 2023 Next Steps and Future Actions to Meet Strategic Objective

- Work to secure the resources necessary to effectively enforce the antitrust laws to ensure that the public benefits from the lower prices, higher quality, increased innovation, and expanded choices that competition brings.

- Expand employee development programs to increase the antitrust expertise and investigative, negotiation, and litigation skills of legal staff through continuous learning and retrospective analysis.
- Utilize BC’s Training Council to identify legal staff development opportunities and provide targeted training programs to meet those needs. Focus on enhancing the investigative process using improved technological tools and the identification of “best practices” to streamline and standardize management of investigations and litigation.
- Review and update, where necessary, premerger notification filing requirements and screening methods to maximize efficiency and effectiveness.
- Employ novel enforcement techniques in response to a challenging judicial environment, including working with state enforcement partners to remediate harm to competition.

Performance Metrics

Metric 2.1.1: Total consumer savings and other measurable benefits generated by antitrust enforcement.

This metric reports the estimated amount of money that the Commission saved consumers by taking action against potentially anticompetitive mergers and business conduct. The number reported is a five-year “rolling average” (average of the current year and four prior year totals).

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
\$3.76 billion	\$4.87 billion	\$2.68 billion	\$2.77 billion	\$3.12 billion	\$2.4 billion	Exceeded	\$2.4 billion	\$2.4 billion

FY 2022 Highlights: The FTC concluded 20 full-phase investigations with actions in FY 2022, including 18 merger matters and 2 conduct matters. Six of the concluded matters involved federal court litigation or administrative adjudication, while 11 were concluded with a settlement, and three were resolved when the parties abandoned their transactions in anticipation of an FTC challenge.

Metric 2.1.2: Total consumer savings and other measurable benefits generated by antitrust enforcement compared to resources spent.

This metric reports the estimated amount of money that the Commission saved consumers by taking action against potentially anticompetitive mergers and business conduct compared to the amount spent on the merger program. The amount reported is a five-year “rolling average” (average of the current year and four prior year totals).

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
\$52.30 in consumer savings per \$1 spent	\$66.00 in consumer savings per \$1 spent	\$34.40 in consumer savings per \$1 spent	\$34.70 in consumer savings per \$1 spent	\$37.30 in consumer savings per \$1 spent	\$35.00 in consumer savings per \$1 spent	Exceeded	\$35.00 in consumer savings per \$1 spent	\$35.00 in consumer savings per \$1 spent

FY 2022 Highlights: Despite increasing costs driven by the expanding scope and complexity of antitrust investigations and the Commission’s substantial competition litigation docket, the agency exceeded its target for this performance metric, saving the public approximately \$37 for every dollar spent on its enforcement programs.

Metric 2.1.3: Percentage of cases and investigations involving collaboration with BCP.

This metric reports the percentage of full-phase investigations concluded in which the Bureau of Competition collaborated in some aspect(s) of the investigation, with FTC colleagues in the Bureau of Consumer Protection.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
N/A	N/A	N/A	N/A	5%	Baseline	N/A	Baseline	TBD

FY 2022 Highlights: Increasingly, the Commission is striving to streamline the investigative process and identify synergies between the agency’s dual missions to protect consumers and competition. The Commission accordingly has prioritized information sharing and cross-functional investigations, wherever possible, which makes more efficient use of the Commission’s limited resources and has the potential to reduce redundancy in investigative processes. In the first year that the agency has tracked this endeavor, the Bureau of Competition and Bureau of Consumer Protection collaborated substantively in 5% of the full-phase matters concluded in the fiscal period. The Commission will continue to track this important information-sharing initiative and anticipates that the degree of collaboration will continue to increase in the coming years.

Metric 2.1.4: Percentage of antitrust matters seeking significant remedial, precedential, or deterrent effects across the marketplace.

This metric reports the percentage of concluded full-phase investigations that sought significant remedial action, or which were anticipated to have substantial precedential value or effectuate broad deterrence of future anticompetitive mergers or conduct.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
N/A	N/A	N/A	N/A	58%	Baseline	N/A	Baseline	TBD

FY 2022 Highlights: Increasingly, the Commission is adapting its investigative and litigation strategies to clarify antitrust law and ensure it is reflective of modern market realities. Accordingly, the agency is prioritizing matters that seek significant remedies, or that identify precedential theories of harm or further significant deterrence of future anticompetitive behavior in the marketplace. In FY 2022, the Commission concluded 26 full-phase antitrust matters. Of those concluded matters, 15 sought or achieved significant remedial, precedential, or deterrent effects, including the incorporation of prior approval provisions in consent orders, litigation challenges pleading unique theories of harm, precedential remedies such as partial industry bans, and working with state partners to obtain equitable monetary relief.

Metric 2.1.5: Percentage of full-phase antitrust investigations that (1) proceeded to litigation that ultimately halted or deterred lawbreaking or resulted in greater clarification of the law or (2) ended when a merger was abandoned in anticipation of an FTC challenge.

This metric reports the percentage of concluded full-phase investigations that either, 1) proceeded to litigation which ultimately halted or deterred lawbreaking or for which the holding clarified the law in a way deemed beneficial to future competition enforcement, or 2) which ended when a merger was abandoned or restructured by the parties in anticipation of the Commission authorizing either federal court or administrative adjudication.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
N/A	N/A	N/A	N/A	38%	Baseline	N/A	Baseline	TBD

FY 2022 Highlights: Federal court and administrative litigation are the two most powerful enforcement tools at the Commission’s disposal, and are also the most resource-intensive. This metric assesses the outcomes of matters in federal court litigation or administrative adjudication, or where parties abandon or restructure their transactions due to an impending challenge. Of the 26 full-phase matters concluded in FY 2022, six matters progressed to litigation, including one litigated victory and five matters in which the parties abandoned their transaction before reaching a federal court or administrative hearing. In four additional matters, the parties abandoned or restructured their proposed transactions in anticipation of a Commission challenge.

Secondary Metric 2.1.6: Total sales in the affected markets in which the Commission took antitrust enforcement actions.

This metric demonstrates that the Commission’s merger actions are guided in part by the size of the relevant product/geographic markets involved. It is important that the FTC use its resources in areas where it can achieve the most positive change. The number reported is a five-year “rolling average” (average of the current year and four prior year totals).

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual
\$178.9 billion	\$193.18 billion	\$81.3 billion	\$79.2 billion	\$54.10 billion

Objective 2.2: Engage in research, advocacy, and outreach to promote public awareness of fair competition and its benefits.

Goal Leaders: Director, Bureau of Competition; Director, Bureau of Economics; General Counsel, Office of the General Counsel; Director, Office of Policy Planning

Through research, advocacy, and rulemaking, the FTC seeks both to understand the marketplace as it evolves over time and to provide guidance to the business community, policymakers, and the public. Whether through analyzing industry data, holding public hearings and workshops, or conducting economic studies, the FTC gathers information for its staff of economists, technologists, and other researchers to analyze. Our research work directly informs our law enforcement work and is often released to the public through staff reports and studies.

As the economy continues to evolve the FTC must ensure we are fully grasping market realities, especially as the economy becomes increasingly digitized. The agency plans to be especially attentive to next-generation technologies, innovations, and nascent industries across sectors. By staying apprised of new developments, the agency can learn from new evidence and course correct as needed. An interdisciplinary team of researchers and analysts will best position the FTC to mitigate information asymmetries and narrow the gap between theory and practice.

The FTC also promotes competition through advocacy and education. In its advocacy work, the FTC files comments with federal, state, and local government bodies and encourages them to consider the effect their proposed actions will have on competition. In another form of advocacy, the FTC files amicus briefs with federal courts to develop antitrust law in the public interest. The FTC also endeavors to educate consumers and businesses about competition law and policy. Rules and guidance inform businesses and their legal advisers about antitrust risks and can deter anticompetitive mergers and business practices and reduce businesses' cost of compliance.

Strategies

- **Research new developments in the marketplace:** Improve the agency's understanding of various practices and developments in the marketplace by conducting economic research on these issues and holding public hearings, conferences, and workshops that bring together interested parties that represent the diversity of the American public. Use the information gathered to inform the agency's enforcement agenda. Improve the dissemination of material gathered through hearings, conferences, and workshops.
- **Research effectiveness of remedies:** Conduct market research, including evaluating the effectiveness of merger and conduct remedies, to inform future enforcement efforts.
- **Educate small businesses:** Provide small businesses with practical, user-friendly educational resources to help them understand the law so they can comply with it and identify when they are victims of unlawful conduct.
- **Focus on workers:** Study and investigate the impact on worker wages and benefits from merger and nonmerger conduct, as well as non-compete and other potentially unfair contractual terms resulting from power asymmetries between workers and employers.
- **Work with the media:** Engage the media to disseminate clear and compelling content to the public at large with the goal of ensuring consumers understand what companies did wrong and what the FTC is doing to stop them. Ensure that regional and local outlets and reporters are aware of developments that impact their audiences and communities.

External Factors and Risks

Resource constraints

- Financial and personnel resource limitations, driven primarily by the costs of litigation, may reduce resources available to provide reports, studies, workshops, and conferences.

FY 2022 Progress Update

Providing policymakers with a framework to analyze competition issues is an important component of the FTC's mission to promote competition for the benefit of the public. Government-imposed impediments can be among the most durable restraints on competition. Therefore, in response to requests, the FTC advises local, state, and federal entities on the potential competitive implications of pending governmental actions that may have a major impact on consumers.

- **Advocacy:** In FY 2022, the FTC filed two amicus briefs in federal court and two advocacy comments related to competition.
 - Staff submitted an amicus brief jointly with the United States in *Oxbow Carbon Minerals, LLC v. Union Pacific Railroad Co.*, urging affirmance of the district court decision that interpreted a provision of the Staggers Act of 1980 to allow admission of evidence of alleged collusion among rail carriers.
 - Staff submitted a comment to the Food and Drug Administration supporting a proposed rule establishing over-the-counter hearing aids. The comment supports the FDA's efforts to make hearing products more accessible as a significant way to increase competition, reduce prices, and improve access to hearing aids.
 - Staff submitted an amicus brief in *Sessa v. TransUnion*, before the Second Circuit. The district court had dismissed the case on the grounds that the inaccurate information was a "legal" inaccuracy and not a "factual" one and therefore was not actionable. The brief argued that the statutory language of the Fair Credit Reporting Act drew no such distinction and would be impossible to apply if it did. The brief also argued that the Act does not provide automatic immunity for credit report information that is supplied by a third party.
 - The FTC, jointly with DOJ, filed comments with the Federal Energy Regulatory Commission urging it not to restore a right of first refusal that would enable incumbent electricity transmission owners to block competitors from bidding to design, construct, and own certain new interstate transmission facilities. The comment notes that when FERC eliminated the ROFR under certain circumstances in 2011, it recognized the benefits to consumers of having competition for transmission design and construction. The comment urges FERC not to abandon competition, and it cites examples of where competition for transmission design and construction has resulted in lower costs and innovation.
- **Workshops:** In FY 2022, the Bureau of Economics hosted its Fourteenth Annual Microeconomics Conference. The workshop brought together scholars working in areas related to the FTC's antitrust, consumer protection, and public policy missions. Jointly with the Department of Justice, the agencies held "Making Competition Work: Promoting Competition in Labor Markets," which brought together lawyers, economists, academics, policy experts, labor groups, and workers, and explored recent developments at the intersection of antitrust and labor, as well as implications for efforts to protect and empower workers through competition enforcement and rulemaking. Also, jointly with the Department of Justice, the FTC hosted a series of listening forums to hear from those who have experienced firsthand the effects of mergers and acquisitions beyond antitrust experts, including consumers, workers, entrepreneurs, start-ups, farmers, investors, and independent businesses.

- **Section 6 Studies:** In FY 2022, the FTC issued Orders under Section 6(b) of the FTC Act in two distinct sectors of the economy. Section 6(b) authorizes the Commission to conduct wide-ranging studies that do not have a specific law enforcement purpose.
 - Supply Chain Disruptions: The FTC ordered nine large retailers, wholesalers, and consumer good suppliers to provide detailed information that will help the FTC shed light on the causes behind ongoing supply chain disruptions.
 - Pharmacy Benefit Managers: The FTC ordered the six largest pharmacy benefit managers (“PBM”) to provide information and records regarding their business practices. The study will focus on the impact of vertically integrated PBMs on the access and affordability of prescription drugs.

FY 2023 Next Steps and Future Actions to Meet Strategic Objective

- The Office of Policy Planning will seek to hire more attorneys, technologists, data analysts, financial analysts, and experts from outside disciplines. This will provide the FTC with the necessary resources to research new, developing practices in various marketplaces.
- To expand our staff’s skillsets, the FTC will invest in more training and educational resources for existing and incoming talent.
- The FTC will invest more time to develop its relationships with small businesses as well as state and federal government policymakers. This will inform the FTC about changing issues that are relevant to small businesses and will provide a resource to state and federal government policymakers.

Performance Metrics

Metric 2.2.1: Number of reports and studies the FTC issued on competition related topics.

This metric reports competition policy-related activities such as Commission or staff research, reports, economic or policy papers, studies, or other significant antitrust guidance produced after substantive investigation, study, or analysis. These activities enhance the public’s knowledge of competition issues and promote the adoption of policies based on sound competitive principles to the extent possible. Also included as part of this metric are reports to other federal agencies that report on the FTC’s activities.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
9	4	7	8	6	8	Not Met	7	7

FY 2022 Highlights: The Commission issued six reports, studies, or policy statements in FY 2022, including two annual reports, a policy statement on competition and consumer protection considerations in the Gig Economy, and economic research analysis. Resource constraints continue to limit the resources available to the Commission for non-enforcement priorities, contributing, in part, to the agency failing to meet its target for this metric.

Metric 2.2.2: Number of cases for which BE economists prepared to testify as expert witnesses in FTC antitrust enforcement actions.

The performance metric is the number of cases for which BE economists (including economists, financial analysts, research analysts, statisticians, and other BE staff) prepared to testify as expert witnesses in FTC antitrust enforcement actions. This number is a measure of BE expertise developed through economic research related to competition analysis and represents not only the expertise of the testifying expert, but also the expertise of the BE economists and other staff that are supporting that expert.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
N/A	N/A	N/A	N/A	5	Baseline	N/A	Baseline	TBD

Metric 2.2.3: Percentage of competition advocacy matters files with entities, including federal and state legislatures, agencies, or courts that were successful.

The FTC’s competition advocacy takes many forms—including advocacy comments, amicus briefs, workshops, reports, and testimony. This metric evaluates the success rate for resolved competition advocacy comments and amicus briefs. Although the FTC is primarily a law enforcement agency, advocacy work is a cost-effective way to further the FTC’s competition mission and allows the FTC to address situations where competition may be affected by the actions of public entities, including regulators and legislators.

To determine whether an advocacy comment or amicus brief is successful, staff waits for the relevant case, legislative process, or agency rulemaking to be fully resolved. Once resolved, the outcome is compared to the policy recommendations within the advocacy comment or the legal arguments set forth in the amicus brief. Advocacies are classified as successful, partially successful, moot, or unsuccessful based on the outcome achieved. We do not attempt to quantify or measure how much effect our advocacy had on the decision.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
N/A	N/A	N/A	N/A	N/A	Baseline	N/A	Baseline	TBD

FY 2022 Highlights: Data for this metric is often delayed, and was not yet available for FY 2022 at time of publication. The agency is working on improving the process to collect this data.

Objective 2.3 Collaborate with domestic and international partners to check unfair methods of competition.

Goal Leaders: Director, Office of International Affairs; Director, Bureau of Competition; Director, Bureau of Economics

The FTC continues to build cooperative relationships with domestic and foreign antitrust agencies to ensure close collaboration on cases and foster the exchange of learning and understanding of policy issues of common concern. On the domestic front, the FTC seeks to collaborate with other agencies and the state attorneys general to obtain the best results and maximize the use of limited resources in the enforcement of the U.S. antitrust laws.

Cooperation with foreign competition agencies of other jurisdictions is a key component of an effective FTC competition enforcement program. With over 130 antitrust enforcers worldwide, it is critical that agencies work together to ensure that the international competition law system functions coherently and effectively. To accomplish this, the FTC builds strong bilateral relations with foreign counterparts, including new and emerging agencies through our technical assistance program, and takes a lead role in multilateral fora to promote case enforcement cooperation, greater policy understanding, and best practice. The FTC also works with relevant U.S. government agencies to develop, promote, and maintain competitive domestic markets and to address competition issues that implicate broader U.S. policy interests in a coordinated and effective manner.

Strategies

- **Collaborate domestically:** Work more extensively within the U.S. government inter-agency process and with other domestic government entities to support the FTC's efforts to promote market-based competition and policy convergence.
- **Collaborate internationally:** Work with international government and non-government partners to promote international cooperation and policy consistency aimed at sound and effective antitrust enforcement. Cooperation with foreign competition agencies on antitrust matters that are subject to concurrent review improves the effectiveness of investigations and promotes compatible outcomes. The FTC's promotion of policy understanding encourages the development of international best practice standards and their application to transactions and conduct affecting the global marketplace.

External Factors and Risks

- **Case compatibility and policy consistency involve numerous stakeholders, political considerations, competing competition laws, and economic factors:** Promoting international case cooperation and policy consistency is a long-term endeavor that can be affected by events beyond the agency's control, such as foreign court proceedings, the COVID-19 pandemic, and political changes that result in changes in foreign counterpart agencies' policies and staff and restrict best practices and information exchanges. Political turmoil in certain regions can also make cooperation on particular issues more difficult. International technical assistance would be hampered if external resources are not available, U.S. embassies abroad are not supportive, or if foreign governments are not willing to accept U.S. assistance

FY 2022 Progress Update

International Antitrust

In support of its competition mission and domestic antitrust enforcement, the FTC regularly works with foreign antitrust agencies to ensure close collaboration on cross-border cases and foster the exchange of learning on and common understanding of policy issues of common concern. Our international engagement helps to ensure that we are taking advantage of the most current learning of our counterparts while strengthening our collective and domestic enforcement against anticompetitive conduct.

- In FY 2022, the FTC continued to develop cooperative relationships with foreign antitrust agencies to ensure close collaboration on cross-border cases and contribute to greater international alignment among agencies on pressing antitrust issues raised in matters under concurrent review. During the most recently completed fiscal year, the FTC engaged in significant enforcement cooperation on 33 merger and anticompetitive conduct investigations of mutual concern with counterpart agencies from 16 jurisdictions. Consistent with our domestic focus, many of these matters involved technology and pharmaceutical matters, and many involved cooperation with several agencies to achieve effective, sound, and consistent outcomes. For example, we cooperated with DG Competition, the UK Competition and Markets Authority, the Japan Fair Trade Commission, and the Korea Fair Trade Commission in our review of the NVIDIA/Arm transaction, which helped lead to the parties' abandonment of the transaction.
- Recognizing a continuing need to deepen and refine cooperation, we are working with key partners and leading efforts in multilateral fora, such as the International Competition Network (ICN), the Competition Committee of the Organization for Economic Cooperation and Development, and the United Nations Conference on Trade and Development (UNCTAD) to develop enhanced cooperation tools. For example, following the FTC's signing the [2020 Multilateral Mutual Assistance in Competition Framework](#), the Commission is working with counterparts to develop enhanced cooperation agreements based on the Framework's template. We are also engaged in long-term projects in [multilateral fora dedicated to understanding and improving competition cooperation](#).
- More broadly, the FTC plays a central role in key multilateral fora dedicated to promoting sound competition policy and enforcement internationally. In the ICN, for example, the Commission is a member of the ICN's Steering Group, and it launched and co-leads a project on the interface between competition, data privacy, and consumer protection enforcement and policies in light of emerging digital economy issues.
- The FTC, along with DOJ's Antitrust Division, continued to conduct high-level and staff dialogues and the exchange of technical expertise and training on key issues. For example, we launched the [EU-US Joint Technology Competition Policy Dialogue](#) with leaders of the Antitrust Division of the Department of Justice and the EU Commission, focused on shared competition enforcement and policy issues that arise in technology markets, with the goal of promoting policy and enforcement coordination. The FTC and the Antitrust Division also developed and hosted an [Enforcers Summit](#) that engaged international and state enforcement colleagues in discussions of merger reform and lessons for interagency collaboration, and helped to inform the U.S. agencies' efforts to modernize our merger guidelines. In addition, the FTC worked with key counterparts through the Multilateral Pharmaceutical Merger Task Force to address approaches to analyzing the effects of pharmaceutical mergers, which culminated in a two-day workshop that covered recent research and proposals for [proactive antitrust enforcement](#).
- Building on recommendations developed in the report, "[The FTC's Role in a Changing World](#)," the Commission has deepened its work with other U.S. government agencies to [address competition issues](#) that implicate broader U.S. policy interests in a coordinated and effective manner. For example, the FTC worked the Departments of Treasury, Justice, State, and others to develop a Group of Seven (G7) statement on competition in the digital economy, which affirmed participants' intent to increase collaboration and cooperation with other governments to address the [evolving challenges of policy and enforcement in digital markets](#). In addition, the FTC, with [G7 competition colleagues](#), developed a compendium of approaches to [improving competition in digital markets](#).

FY 2023 Next Steps and Future Actions to Meet Strategic Objective

- Support BC’s enforcement by assisting with the international aspects of its investigations and litigation.
- Pursue opportunities for improving international cooperation tools bilaterally and multilaterally, e.g., through the ICN, the Organisation for Economic Co-operation and Development (OECD), and UNCTAD, including the development of additional agreements to promote enhanced cooperation, e.g., pursuant to the Multilateral Mutual Assistance and Cooperation Framework.
- Enhance opportunities for the promotion of policy understanding and consistency, including as concerns the application of competition law to the digital economy.
- Continue the FTC’s leadership role in the ICN by: guiding the ICN’s strategic direction through Steering Group participation; leading the network’s promotion and implementation work; co-leading the project on the intersection of competition, data privacy, and consumer protection law and policy; helping advance work on unilateral conduct, agency effectiveness, digital markets, cooperation, mergers, and competition advocacy; and setting its long-term agenda by leading the ICN’s “Third Decade” project to self-assess plan the network’s priorities and strategies for the next decade. Strengthen relations with key partner competition agencies through dialogue on policy initiatives, case cooperation, and the provision of technical assistance.
- Facilitate dialogue and competition policy and enforcement understanding and consistency through engagement in additional multilateral fora including the [OECD Competition Committee](#), UNCTAD, and regional organizations such as the Asia-Pacific Economic Cooperation regional economic forum.
- Restart the International Fellows and staff exchange programs and pursue technical assistance programs, notably regional programs in coordination with the U.S. Agency for International Development and other interagency funding partners.
- Work with other U.S. agencies bilaterally and in interagency and intergovernmental fora such as the G7 and the EU-US Technology and Trade Council, and in the development of trade arrangements to address appropriate competition-related issues.

Performance Metrics

Metric 2.3.1: Percentage of FTC cases involving at least one substantive contact with a foreign antitrust authority in which the agencies followed consistent analytical approaches and reached compatible outcomes.

OIA strives to ensure appropriate cooperation on and coordination of investigations under parallel review by the FTC and foreign competition agencies. This metric gauges the effectiveness of the FTC’s enforcement cooperation with foreign antitrust authorities pursuing parallel enforcement activities.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
98%	100%	100%	100%	100%	90%	Exceeded	85%	85%

FY 2022 Highlights: In FY 2022, the FTC cooperated on 33 enforcement matters. FTC staff engaged in substantive case cooperation with 16 agencies, including those of Australia, Austria, Brazil, Canada, China, the European Union, Germany, Israel, Japan, South Korea, New Zealand, Singapore, Spain, South Africa, and the United Kingdom. The FTC and its counterpart agencies reached compatible outcomes in all cases completed during the fiscal year. While the FTC will continue to strive for 100% success, the target reflects the possibility of inconsistent outcomes, particularly as additional antitrust agencies assert their jurisdiction, more agencies prosecute cases based on unilateral conduct theories, and competition laws and policies undergo reform.

Secondary Metric 2.3.2: Percentage of full investigations in which the FTC and other U.S. federal, state, and local government agencies shared evidence or information that contributed to FTC law enforcement.

Due to the wide geographic impact of merger and nonmerger actions, it is important that the FTC share information and resources with other domestic federal, state, and local government agencies in the investigation and enforcement of competition cases. This metric reports the number of full merger and nonmerger investigations concluded in a given fiscal year that involved information sharing with domestic federal, state, or local government agencies.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual
52.6%	31.8%	22.2%	52%	60%

Objective 2.4: Support equity for historically underserved communities through the FTC’s competition mission.

Goal Leaders: Director, Bureau of Competition; Director, Bureau of Economics

The FTC strives to ensure that all members of the public benefit from competition in the marketplace, including members of historically underserved communities that are already at a disadvantage in the American economy. These communities, often low-income, rural, veterans, and/or communities of color, may be more susceptible to the harms caused by anticompetitive conduct and mergers. Some conduct may even seek to deliberately exploit or prey upon the disadvantages inherent to these communities.

The FTC enforces the antitrust laws after analyzing the harms and potential remedies based on the information available. Continuing efforts to improve the agency’s information requests and case evaluation process will ensure harms to less visible groups are not going unnoticed and will enable the Commission to ensure it is focusing its resources on cases that promote a fair and equitable marketplace for all.

Strategies

Improve information gathering that precedes the case selection and evaluation process: Develop and refine information requests in merger and anticompetitive conducts cases to solicit information about the impact of transactions and conduct on historically underserved communities. This may include identifying communities within specific geographic areas that are affected and ensuring that merger analysis includes effects on workers and restrictive covenants.

Further research: Conduct research to study the economic impact of anticompetitive conduct and transactions on consumers, workers, and small businesses in historically underserved communities.

External Factors and Risks

Resource constraints

- Financial and personnel resource limitations, driven primarily by the costs of litigation, may limit the number of investigations and litigations the agency can pursue, which may in turn impact the FTC’s ability to achieve the goals of this objective.

FY 2022 Progress Update

- Completed the agency’s Equity Action Plan to further formalize plans for achieving equity in antitrust enforcement.

FY 2023 Next Steps and Future Actions to Meet Strategic Objective

- Continue to refine data collection and analysis for new metrics.
- BC will update its case selection and evaluation process by systematically collecting available information regarding the impact of proposed mergers and alleged anticompetitive conduct on underserved communities.
- BC will ensure that merger analysis includes effects on workers and restrictive covenants.
- BC staff will continue ongoing efforts to develop—and refine—information requests (via voluntary access letters, second requests, and civil investigative demands) in merger and anticompetitive conduct cases to solicit information about the impact of transactions on underserved communities.

Performance Metrics

Metric 2.4.1: Dollar value of harm from potentially anticompetitive conduct and transactions having an adverse economic impact on consumers, workers, and small businesses in historically underserved communities.

This metric reports the percentage of consumer savings and other measurable benefits applicable to individuals who 1) are under the federal poverty line, or who 2) identify as Black, Hispanic, American Indian/Alaska Native, or Native Hawaiian/Other Pacific Islander in the relevant geographic markets of concluded, full-phase investigations.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
N/A	N/A	N/A	N/A	< Poverty Line: \$343.1m Hispanic: \$476.4m Other Underserved Communities: \$358.1m	Baseline	N/A	Baseline	Baseline

FY 2022 Highlights: In this baseline year, the Commission’s enforcement actions to stop anticompetitive conduct and mergers saved traditionally underserved communities millions of dollars. Consistent with Metric 2.1.2, the Commission’s competition enforcement actions saved the public, and more specifically, underserved racial/ethnic and socio-economic groups, many times the costs of the agency’s competition enforcement programs.

Metric 2.4.2: Percentage of populations impacted by actions taken to maintain competition who belong to historically underserved communities.

This metric reports the percentage of populations who 1) are under the federal poverty line, or who 2) identify as Black, Hispanic, American Indian/Alaska Native, or Native Hawaiian/Other Pacific Islander in the relevant geographic markets of concluded, full-phase investigations.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
N/A	N/A	N/A	N/A	< Poverty Line: 11.8% Hispanic: 15.7% Other Underserved Communities: 11.8%	Baseline	N/A	Baseline	Baseline

FY 2022 Highlights: In this baseline year, the Commission took enforcement actions to stop anticompetitive conduct and mergers in markets that largely aligned with national population averages for certain historically underserved communities. As the Commission continues to refine its focus on disparate impact in underserved communities, these percentages may increase in years to come.

Metric 2.4.3: Percentage of actions taken to maintain competition where the merger or conduct was identified as adversely impacting historically underserved communities.

This metric reports the percentage of full-phase investigations concluded with an action for which staff identified a potentially adverse impact on one or more historically underserved communities during the course of its investigation.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
N/A	N/A	N/A	N/A	25%	Baseline	N/A	Baseline	Baseline

FY 2022 Highlights: This metric recognizes that harm to underserved communities, while challenging to quantify, is cognizable and significant. In FY 2022, staff identified a likely adverse impact on one or more historically underserved communities in five of the 20 full-phase investigations concluded with an enforcement action. As the Commission continues to refine its focus on disparate impact in underserved communities, this percentage may increase in years to come.

Strategic Goal 3: Advance the FTC's Effectiveness and Performance

The FTC believes that advancing organizational effectiveness and performance at all levels creates a strong foundation for overall mission success. The agency's work in Strategic Goal 3 highlights ongoing efforts to improve the management of agency staffing, finances, information, and physical assets, in order to create a more efficient and more agile agency.

Three objectives guide work in this area:

- **Objective 3.1:** Optimize resource management, space, and administrative programs.
- **Objective 3.2:** Cultivate a high performing, diverse, inclusive, and engaged workforce.
- **Objective 3.3:** Optimize information management.

Strategic Goal 3 Metrics	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2023 Target	FY 2024 Target
Objective 3.1						
Metric 3.1.1 Audit opinion from the agency's independent financial statement auditors.	Unmodified opinion	Unmodified opinion	Unmodified opinion	Unmodified opinion	Unmodified opinion	Unmodified opinion
Metric 3.1.2 Percentage of contract actions awarded within FTC's established procurement action lead time.	91.1%	94.5%	90.6%	90.0%	90.0%	90.0%
Metric 3.1.3 Percentage of contract dollars awarded to small disadvantaged businesses.	15.4%	18.1%	15.5%	15.0%	15.0%	15.0%
Metric 3.1.4 Number of training and information offerings to staff on climate literacy and resilience topics.	N/A	N/A	4	Baseline	4	4
Objective 3.2						
Metric 3.2.1 Annual score on the FEVS Employee Engagement Index.	87%	74%	74%	77%	Exceed government-wide average	Exceed government-wide average
Metric 3.2.2 Annual score on the FEVS Global Satisfaction Index.	89%	60%	62%	65%	Exceed government-wide average	Exceed government-wide average
Metric 3.2.3 Annual score on the FTC Diversity and Inclusion Index.	N/A	N/A	85%	Baseline	Exceed government-wide average	Exceed government-wide average
Metric 3.2.4 Percentage of people with disabilities in the FTC workforce.	8.0%	7.4%	8.7%	7.5%	Equal or greater than previous FY	Equal or greater than previous FY
Metric 3.2.5 Percentage of people with targeted disabilities in the FTC workforce.	1.3%	1.4%	1.4%	1.5%	Equal or greater than previous FY	Equal or greater than previous FY

Strategic Goal 3 Metrics	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2023 Target	FY 2024 Target
Objective 3.3						
Metric 3.3.1 Percentage of FTC IT systems hosted outside of the FTC’s data center.	N/A	N/A	90.0%	90.0%	90.0%	90.0%
Metric 3.3.2 Availability of information technology systems.	99.97%	99.94%	99.67%	99.50%	99.50%	99.50%
Metric 3.3.3 Annual score on the FTC Cybersecurity Index.	7 of 8	6 of 8	7 of 8	6 of 8	Baseline (new Index)	TBD
Metric 3.3.4 Meet project milestones for developing an agency email records schedule and associated email capture and management process.	N/A	N/A	Email records schedule and policy drafted	Draft agency-wide policy regarding email and implement agency-wide training on email management	Submit email records schedule to NARA for approval	Complete evaluation of FTC email management practices
Metric 3.3.5 Meet project milestones for developing and implementing an agency wide approach for managing Controlled Unclassified Information (CUI).	N/A	N/A	Processes for safeguarding, decontrolling, and destroying CUI finalized	Implement agency-wide physical safeguarding decontrolling and destruction process for CUI	Implement marking of information agency-wide and launch agency-wide training	Conduct CUI program evaluation for DC offices

Objective 3.1: Optimize resource management and infrastructure.

Goal Leader: Executive Director, Office of the Executive Director

The creation, modernization, and maintenance of physical and financial resources and infrastructure not only provides for a safe, secure, and efficient workplace but also helps the agency achieve its mission and respond to and anticipate future needs. These efforts span several offices and functions.

The safety and security of the workforce is of paramount importance, and the FTC must ensure that mission essential work can be completed in normal and adverse conditions. The work in this area covers emergency preparedness, space and administrative operations, and climate action planning and mitigation that will limit the agency's climate impact wherever possible.

The FTC believes in the importance of accountability and transparency, as shown through resource stewardship and financial oversight. The work in this area covers a wide range of administrative and operational activities, such as formulating and executing the agency budget, managing procurements, internal controls, accounting operations, audit resolution, and ensuring compliance with financial management laws and regulations.

Strategies

- **Increase emergency and climate readiness:** Enhance emergency and climate readiness and resilience, including the ability to anticipate, prepare for, and adapt to changing conditions; withstand, respond to, and recover rapidly from climate related disruptions by updating our facility emergency plans and reviewing our Continuity of Operations plan annually. Update all emergency plans to reflect climate impacts of particular geographic locations over the next four years.
- **Improve agency climate literacy:** Develop an internal communications plan focused on 1) enhancing FTC employees' understanding of how climate change impacts the FTC and 2) promoting educational resources and opportunities for those employees where an understanding of climate resilience or climate change is integral to their work, particularly those responsible for managing the FTC's infrastructure.
- **Improve availability of agency financial data:** Leverage Oracle Business Intelligence (OBI) reporting functions to create and deploy tools such as interactive dashboards, alerts and visual analytics to advance more informed and timely management decisions, especially those related to budget execution and the availability of funds. Format and align financial data with users' needs to support sound decisions related to accomplishing the agency's consumer protection and competition missions.
- **Enhance overall agency financial management:** Develop capabilities obtained through the integration of the FTC financial system and OBI. Maximize our ability to perform more targeted analytics that assess the effectiveness and efficiency of our financial management operations. Conduct a systematic review of all financial processes to ensure we are being both efficient and effective. Collaborate with the Department of the Treasury to implement G-invoicing, a long-term sustainable solution to improve the quality of the agency's Intragovernmental Transactions.
- **Enhance agency procurement:** Improve the effectiveness and efficiency of procurement-related work. Strive to maintain the proper level of staff and resources to complete procurements on time. Develop the necessary policies and procedures and adherence to those processes that ensure proper oversight and management of contracts. Provide additional training to agency Contracting Officers and Acquisition support staff on the agency's contract writing system.

External Factors and Risks

Changes in government requirements for financial management

- Changes to federal financial management regulations, including acquisition regulations, can lead to unexpected shifts in priorities or work processes. If consequently, contract processing slows down, needed

equipment, supplies, and services, including expert witnesses for litigation, may be delayed, slowing down mission critical work.

FY 2022 Progress Update

Security / Emergency Preparedness

- The FTC completed the Eagle Horizon Continuity of Operations exercise and developed an after-action report to address identified improvement areas during the training.
- The FTC implemented a new visitor process based on OMB guidelines for Agency Model Safety Principles during the COVID-19 pandemic. The visitor process details FTC safety protocols on health screening and COVID-19 vaccination attestation and testing requirements.
- The FTC completed an Active Shooter Education campaign to elevate awareness of steps FTC staff can take to keep themselves safe during an active shooter incident.
- The FTC's Pandemic Response Team implemented a notification process to alert FTC staff and visitors of face mask requirements based on the COVID-19 Community Level reported by the CDC to further the health and safety within FTC facilities. The FTC also published an updated the COVID-19 Safety Plan to FTC.gov.

Facilities

- The FTC completed upgrades of its headquarters elevator switchgear, which allows all elevators to return to the ground floor using emergency power during an emergency or power outage event.
- The FTC replaced all fluorescent light bulbs with LED bulbs for safety and sustainability in the FTC headquarters building.
- The FTC relocated its San Francisco Regional Office to a federal facility.
- The FTC reinstated shuttle services between its headquarters and satellite building using a smaller ADA-compliant vehicle.

Finance

- The FTC's Enterprise Risk Management program continues to ensure that internal controls are achieving their intended objectives supporting effective and efficient programmatic operations, reliable financial reporting, and compliance with applicable laws and regulations. FMO identified, assessed, and monitored risks related to mission performance and updated the agency risk profile. The risk-management efforts helped agency leadership determine where to apply resources to address the FTC's highest priorities and risks.
- The agency made progress towards paperless procurement and automated reporting of acquisition activities through more comprehensive use of our financial reporting tool, Oracle Business Intelligence. Our transition to an electronic procurement file management system was delayed by the pandemic. The FTC is still exploring options in this area.

FY 2023 Next Steps and Future Actions to Meet Strategic Objective

- Complete the review of Occupant Emergency Plans and establish a schedule to incorporate climate impacts into these plans over the coming four years.
- Convene a working group to establish an agency-wide plan to analyze climate impacts on the agency and the agency's current climate impact to identify climate adaptation and impact reduction strategies.
- Deliver targeted messaging and informational training to increase staff awareness on climate resiliency and adaptation.

- Enhance collection development procedures to ensure ongoing evaluation of electronic subscriptions as the agency explores a hybrid work environment.
- Pursue certification for its contracting officers to the new FAC-C-IT standard required to sign IT contracts in the future.
- Pursue greater use of OBI financial dashboards, particularly to assist acquisitions in tracking PALT and other contracting metrics.
- Continue corrective actions on supply chain risk management.
- Complete gathering requirements for its Micro Program of Requirements to submit to General Services Administration as the next step in the process to procure new space to replace the FTC’s satellite building in Washington D.C.
- Continue to support efforts to monitor and update the agency risk profile and risk registers to highlight and help agency leadership manage the most significant risks and analyze areas of concern that may elevate to a significant risk in the future.

Performance Metrics

Metric 3.1.1: Audit opinion from the agency’s independent financial statement auditors.

FTC management is responsible for the preparation and fair presentation of annual financial statements in accordance with U.S. generally accepted accounting principles. As required by law, the FTC’s financial statements are audited annually by independent auditors. The auditors will determine whether the annual financial statements and related notes present fairly, in all material respects, the assets, liabilities, and net position in accordance with U.S. generally accepted accounting principles. The ideal outcome is an unmodified opinion. Potential negative outcomes include a qualified or adverse opinion, or a disclaimer from opinion.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
Unmodified Opinion	Unmodified opinion	Unmodified Opinion	Unmodified opinion	Unmodified Opinion	Met	Unmodified opinion	Unmodified opinion	Baseline

FY 2022 Highlights: The FTC takes very seriously our commitment of responsible stewardship of the public resources entrusted to us by the American taxpayers and Congress. The agency’s FY 2022 independent financial audit yielded our 26th consecutive unmodified opinion, the highest audit opinion available. The independent auditors did not identify any material weaknesses, significant deficiencies, or instances of non-compliance with internal controls, financial systems, or laws and regulations.

Metric 3.1.2: Percentage of contract actions awarded within FTC’s established Procurement Action Lead Time (PALT).

The agency’s Acquisitions Branch engages in the time-intensive process of awarding government contracts, task orders, and modifications. To measure the efficiency of this work, this metric tracks the percentage of contract actions awarded within established lead times. The lead-time varies depending on the type of contract. Timely awarding of contracts is important to keep mission work moving forward.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
N/A*	N/A*	91.1%*	94.5%*	90.6%	90.0%	Exceeded	90.0%	90.0%

*Results for previous fiscal years have changed slightly from what was reported in the previous APR/APP as the FTC has moved to measuring only new contract awards in this metric, excluding contract modifications. This helps focus the metric on the awards that take the most time and are more at risk to encounter delays.

Metric 3.1.3: Percentage of contract dollars awarded to small disadvantaged businesses.

The federal government strives to ensure small businesses are capable of winning federal contracts, not just large corporations. The FTC typically awards over \$80 million in contracts each year to private companies for supplies and services needed to complete our work. This metric tracks the percentage of FTC contract dollars that are awarded to companies that classify as small (as measured in annual receipts and number of employees) and disadvantaged (owned by persons who are socially and economically disadvantaged), as classified by the Small Business Administration.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
16.7%	11.7%	15.4%	18.1%	15.5%	15.0%	Exceeded	15.0%	15.0%

Metric 3.1.4: Number of training and information offerings to staff on climate literacy and resilience topics.

The FTC’s Climate Action Plan, established in FY 2021, calls for enhancing FTC employees’ understanding of how climate change impacts the FTC and to promote educational resources and opportunities for those employees where an understanding of climate resilience or climate change is integral to their work. The FTC launched a series of voluntary activities and will track training, educational products, and related activities. OCASO’s Communications and Information Management branch is responsible for implementing FTC’s Climate Adaptation Action regarding improving climate literacy.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
N/A	N/A	N/A	N/A	4	Baseline	N/A	4	4

FY 2022 Highlights: During the baseline year of this performance metric, the FTC used Office of the Federal Chief Sustainability Officer resources to provide climate-related training opportunities for interested FTC staff to improve their understanding of climate resilience and climate change. The FTC has begun implementing provisions like zero-emissions fleet vehicles. The FTC designated a Chief Sustainability Officer to oversee selected provisions and government-wide sustainability initiatives.

Secondary Metric 3.1.5: Number of FOIA Requests Received, Processed, and the Cost of FOIA Litigation

This metric tracks the number of incoming Freedom of Information Act (FOIA) requests, the number of requests processed by the FTC’s FOIA team, and the cost of litigation related to FOIA requests. While the number of incoming FOIA requests is out of our control, the FOIA team strives to respond to each request within statutory deadlines.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual
Number of FOIA Requests Received	1441	1381	1177	1385	1619
Number of FOIA Requests Processed	1459	1361	1298	1375	1579
Cost of FOIA Litigation	\$33,848	\$22,988	\$102,489	\$166,155	\$348,178

Objective 3.2: Cultivate a high-performing, diverse, inclusive, and engaged workforce.

Goal Leaders: Executive Director, Office of the Executive Director; Director, Bureau of Consumer Protection; Director, Bureau of Competition; Director, Bureau of Economics; General Counsel, Office of the General Counsel; Director, Office of EOWI

The FTC's workforce is its greatest asset. The FTC will focus on recruiting, developing, motivating, and retaining a high-performing, diverse, inclusive, and engaged workforce as the FTC advances organizational performance. Having a workforce that looks like and draws from the public it protects strengthens the FTC's ability to meet its mission.

Continuous learning is a foundation of our training efforts. FTC staff needs to be aware of new developments in the marketplace and be agile enough to adjust to changing developments. A focus on training, including cross-training staff on both consumer protection and competition issues, will ensure the FTC is ready to accomplish its dual mission.

This objective also captures efforts to ensure that all workers are competing on a fair and level playing field and that all have the opportunity to achieve their utmost potential.

Strategies

- **Improve recruitment:** Explore use of expanded workplace flexibilities to improve recruitment. Expand hiring at regional offices. Place a stronger emphasis on targeted recruitment efforts across the diversity spectrum to expand our applicant pools. Increase the FTC's presence at job fairs and other events designed for specific job seekers (e.g., racial minorities, veterans, persons with disabilities, members of the LGBTQIA+ community and women attorneys and law students, etc.).
- **Expand staff skillsets:** In addition to attorneys and economists, the FTC seeks to hire technologists, data analysts, financial analysts, business analysts, child psychologists, youth development experts, bilingual and multilingual staff, and experts from other outside disciplines. This will allow the agency to build on existing talent and position the FTC to analyze conduct, assess harms and remedies, and pursue market studies with an interdisciplinary approach.
- **Cross-train staff to develop a more flexible workforce:** Increase agency agility and flexibility by training staff in both of our mission areas (consumer protection and competition). Provide education and training opportunities that support our workforce's varied demographic backgrounds, experiences, and perspectives at all levels and occupations.
- **Support performance management and accountability:** Support an agency-wide performance culture that focuses on individual and organizational accountability while meeting established agency goals. Reinforce the FTC's programmatic priorities and objectives using a robust system governing performance management. Provide opportunities for employee recognition that reinforce FTC values and culture while improving engagement and productivity.
- **Develop leaders:** Recruit and develop strategic and forward-thinking leaders who are agile, motivated, and knowledgeable and who can position the FTC for success. Strengthen leadership in a way that embraces an agency-wide approach to supporting a diverse, inclusive, and equitable workforce. Support leaders and future leaders who provide effective direction, inspiration, and guidance in nurturing the strengths and talents of the workforce through building teams committed to achieving FTC goals.

External Factors and Risks

Current job market impacts

- Strong job markets have led talented staff to seek more lucrative opportunities at higher-paying agencies or in the private sector.
- External talent may be hesitant to seek new employment opportunities due to the impact of COVID-19 on work conditions (possible exposure, lack of information on remote work flexibilities, etc.).
- Workplace flexibilities may be a key factor for job seekers.

Changes to government requirements for human capital management

- Changes to federal human capital regulations, legal authorities, mandates, and requirements may affect the ability of the FTC to implement specific human capital strategies related to recruitment, training, and retention.

Availability of cost-effective external training sources

- Cost-effective external training resources may not be available to supplement and expand the agency's internal employee development and training opportunities.

FY 2022 Progress Update

- **Leveraging workplace flexibilities to enhance recruitment and retention of employees:** In FY 2022, the FTC finalized a next phase policy that provides a framework for the management and operation of FTC workplace flexibilities programs. Workplace flexibilities, such as telework, remote work, and alternative work schedules, can be used efficiently and effectively as strategic management tools for attracting, retaining, and engaging talent to accomplish the agency's mission and for advancing diversity, equity, inclusion, and accessibility within the FTC workforce. The policy is designed to offer robust workplace flexibilities to agency staff while maintaining a physical workplace that serves as a hub of connection and community. High quality performance and achievement can be maintained in a hybrid environment while underscoring the value of coming together in-person to collaborate, learn, mentor, and build relationships. The policy reinforces the agency's commitment to building a successful, sustainable, collaborative, agile, and innovative hybrid workplace environment that embraces the work-life balance and wellbeing of FTC employees, positioning them to work at their best in service of the agency's mission. The policy is designed to achieve fair and equitable implementation of covered programs across the agency and provide Bureaus and Offices sufficient flexibility to make individualized workforce and workplace decisions that are critical to advancing the FTC mission.
- **Office of Equal Employment Opportunity and Workplace Inclusion (EEOWI):** The FTC's Office of EEOWI continued its long-standing partnerships with employees and senior officials across the agency regarding diversity, equity, inclusion, and accessibility. FTC employees and senior officials have an ongoing presence in many agency groups, committees, and task forces that focus on diversity, equity, inclusion, and accessibility in the contexts of the FTC's workforce and the programmatic services that the FTC provides to the public. For example, FTC employees and senior officials are present on, and actively participate in, the FTC's Taskforce on Equity. The FTC also benefited from several events and activities that were planned and presented by the FTC Diversity Council, the FTC Women's Employee Resource Group, and the Pride Employee Resource Group.
- **Training and Employee Development:** The FTC continued to focus on FTC's learning culture through upskilling and leadership development courses supporting the advancement of employee skillsets. Specifically, courses offered for upskilling was provided by West Legal Ed Center offering continuing legal education for attorneys, and a series of desktop application classes was provided focusing on advancing

technical skills for all employees for Microsoft and Adobe applications. Franklin Covey courses were offered to FTC employees expanding the leadership capacity for leaders within the organization; FTC Leadership Academy was conducted and provided leadership development for team leads, typically at the GS-13 and 14 levels focusing on the agency's emerging leaders; and an Executive Leadership Development Program was developed for Senior Executive Service and GS-15 employees to equip executive leaders with cutting-edge leadership tools to apply to strategic decision-making, launching in the first quarter for FY23.

FY 2023 Next Steps and Future Actions to Meet Strategic Objective

- Support agency efforts to promote and encourage diversity, equity, inclusion, and accessibility.
- Develop an agency-wide workforce plan and implement an integrated workforce planning process that supports succession planning within HCMO and other FTC Bureaus and Offices.
- Integrate an HR Service Center with existing FTC Service Now platform. This will enable FTC staff to initiate HC service requests and, research answers to frequently asked questions on the same platform used for technical support requests and queries.
- Utilize Microsoft Power Business Intelligence and other data analysis tools to create dynamic reports to inform the agency's workforce planning and decision-making processes.
- Improve the integrity of human capital data through periodic reviews to provide reliable, accurate, data-driven insights to the FTC's leadership team.
- Continue to improve the candidate-selection recruitment timeline through business process re-engineering.
- Partner with hiring managers to deploy recruitment and outreach strategies to attract a diverse workforce, including utilizing the Schedule A hiring authority to increase the representation rate of people with disabilities, and using Veteran's Recruitment Appointment and other hiring authorities to increase the representation of veterans at the agency to support diversity and encourage inclusion.
- Promote and expand the use of federal compensation flexibilities, such as recruitment, retention and relocation incentives, superior qualifications/special needs pay setting, student loan repayments, and other human resources flexibilities such as telework, reasonable accommodation, and wellness programs that support employee retention and recruitment.
- Provide new managers with the training, skills, and resources to process reasonable accommodation requests correctly and foster an inclusive environment.
- Update internal Standard Operating Procedures to ensure the standardization and consistency of HCMO's operating processes and procedures.

Performance Metrics

Metric 3.2.1: Annual score on the FEVS Employee Engagement Index

This metric tracks the Employee Engagement Index of the Federal Employee Viewpoint Survey (FEVS), an annual survey of federal employees conducted by the Office of Personnel Management (OPM). The index gauges the extent to which employees believe that management listens and provides meaningful support and feedback in various areas that assist staff in supporting the overall mission of the agency. The index is based on FEVS questions that assess three sub-factors: perceptions of agency leadership, relationships between workers and supervisors, and feelings of motivation and competency.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
83%	84%	87%	74%	74%	77%	Not Met	Exceed government-wide average	Exceed government-wide average

FY 2022 Highlights: The FTC's Employee Engagement Index score remained steady at 74%, which is above the government-wide average of 71%, but below the medium-size agency average of 76%.

Metric 3.2.2: Annual score on the FEVS Global Satisfaction Index

This metric tracks the FEVS Global Satisfaction Index. Measuring the overall job satisfaction of FTC employees provides managers with important information regarding employees' general satisfaction with their organization and the work they do. Overall job satisfaction is closely correlated with employee retention.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
85%	84%	89%	60%	62%	65%	Not Met	Exceed government-wide average	Exceed government-wide average

FY 2022 Highlights: The FTC's Global Satisfaction Index score was up 2% to 62%, which is equal to the government-wide average of 62%, but below the medium-size agency average of 69%.

Metric 3.2.3: Annual score on the FTC Diversity and Inclusion Index.

This metric tracks the Diversity, Equity, Inclusion, and Accessibility (DEIA) Index of the Federal Employee Viewpoint Survey (FEVS). This new index was established by OPM in 2022 to measure diversity, equity, inclusion, and accessibility in the workforce.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
N/A	N/A	N/A	N/A	85%	Baseline	N/A	Exceed government-wide average	Exceed government-wide average

FY 2022 Highlights: As this is a new index in the 2022 FEVS, there is no historical data to compare. For FY 2022, FTC FEVS score was significantly higher than medium-size agency average (75%) and government-wide average (69%). The FTC score was the highest for all medium-size agencies

Metric 3.2.4: Percentage of people with disabilities in the FTC workforce.

Each agency in the Executive Branch of the federal government has established programs to facilitate the hiring, placement, and advancement of individuals with disabilities. Calculation of the percentage of people with targeted disabilities in the FTC workforce allows the agency to track the success of these programs. This metric shows the FTC’s progress toward the U.S. Equal Employment Commission’s (EEOC) target for federal agencies to have 12% of a federal agency’s workforce be persons with disabilities, and 2% of a federal agency’s workforce be persons with targeted disabilities.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
6.4%	8.1%	8.0%	8.7%*	8.7%	7.5%	Exceeded	Equal or greater than previous FY	Equal or greater than previous FY

* The FY 2021 Actual was misreported as 7.4% in the previous Annual Performance Plan.

Metric 3.2.5: Percentage of people with targeted disabilities in the FTC workforce.

Each agency in the Executive Branch of the federal government has established programs to facilitate the hiring, placement, and advancement of individuals with disabilities. Calculation of the percentage of people with targeted disabilities in the FTC workforce allows the agency to track the success of these programs. Self-identification of targeted disability status is essential for effective data collection and analysis of the FTC’s efforts. While self-identification is voluntary, employee cooperation in providing accurate information is critical to these efforts. Every precaution is taken to ensure that the information provided by each employee is kept in the strictest confidence.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
1.7%	1.4%	1.3%	1.4%	1.4%	1.5%	Not Met	Equal or greater than previous FY	Equal or greater than previous FY

Secondary Metric 3.2.6: Average number of days from job vacancy closing to making a tentative offer for new hires.

This metric tracks the average number of days from job vacancy closing to making a tentative offer for new hires. Performing the hiring process in a timely manner enables the FTC to continue to meet its mission by filling vacant positions with qualified persons as quickly as possible. Making timely hiring decisions increases the likelihood that the agency will be able to recruit qualified, top candidates.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual
N/A	60 days	47.8 days	51.1 days	57 days

Objective 3.3 Optimize information management.

Goal Leader: Executive Director, Office of the Executive Director; Secretary, Office of the Secretary

Successful accomplishment of the FTC mission is increasingly dependent on IT systems and services. FTC staff relies on the agency's IT systems to manage the high volume of information gathered as part of the agency's mission, and to comply with mandates concerning the preservation and handling of agency records. The FTC must invest in IT services that will improve the user experience, allowing the agency to manage increasing data volumes effectively while meeting regulatory obligations.

The FTC's Information Resource Management (IRM) Strategic Plan establishes a multi-year plan for modernizing FTC's IT capabilities, eliminating outdated systems, and using cloud-based solutions when practical. By properly assessing the future IT landscape, FTC can take advantage of emerging IT services while ensuring a clear focus on mission objectives.

The FTC is also committed to effective and efficient management of information resources and continues its transition to managing information electronically to enable staff to perform their work more efficiently, facilitate public access, and protect sensitive information from inappropriate access.

The FTC must continue to address the challenges of a constantly evolving cyber security landscape. Information and information systems must be protected from unauthorized access, use, disclosure, disruption, modification, or destruction in order to ensure data integrity, confidentiality, and availability in the face of increasing cyber threats.

Strategies

- **Modernize technology:** Transform and modernize information technology resources, using innovative approaches and best practices, to increase functionality, improve performance, and achieve mission success. Support transformation and modernization that includes architecting applications and services on cloud-based technology platforms, upgrading and replacing end of support infrastructure and endpoints, and increasing the use of automation in business processes and IT management.
- **Protect FTC data:** Secure and protect information and technology resources from attack and loss of data, accessibility, or integrity, whether from external malicious actors or insider threats. Ensure data and information of all kinds are secure through use of secure authentication practices, implementation of a zero-trust security architecture, and monitoring of systems, services, and user behavior.
- **Bring FTC in compliance with federal records requirements:** Comply with federal records requirements by developing an agency email records schedule and an associated email capture and management process, which will allow identification and retention of email records and to associate emails with specific cases or matters. Additionally, implement an agency-wide program, for managing controlled unclassified information (CUI), starting with a standard method for marking documents and emails containing CUI, and reinforcing the importance of information management through training, electronic and physical safeguarding, and other procedures.
- **Multi-disciplinary collaboration:** Using modern technology with effective controls for the protection and control of data and information, remove organizational barriers to collaboration so agency leaders can assign skilled resources to areas of most need in a way that imbues multi-disciplinary critical thinking into all aspects of agency law enforcement.

External Factors and Risks

- **Rate of change in the information technology industry**
 - If information technology providers release new products and features too quickly, the FTC may lag in technology implementation, increasing the likelihood of using obsolete or unsupported technologies.
 - New technologies may present unique information security challenges or require creative solutions to securing the system without affecting user experience.
 - Emerging and unforeseen information security threats and malicious actors
 - Evolving information security threats affect the security of individual IT systems and services and the FTC's overall risk posture.
 - Stringent requirements for information security related to cloud systems may increase costs.
 - New federal mandates and guidance on information security and IT management create new and unexpected challenges.
 - Downward pressure in IT spending across the federal government
 - Resources with skills needed to support emerging information security challenges and technologies are drawn to agencies and organizations with higher paying positions and benefits.
 - Downward pressure on federal spending could lead to limited funding/reduced resources available for significant upfront investments needed for IT modernization efforts.
- **Increased staff telework**
 - Increased number of staff teleworking could have an impact on the architectural design and performance of FTC's IT network.
- **Compliance with Records Management Directives**
 - Potential delay in transition of electronic records could occur due to dependence on approved records schedules that the FTC is in the process of updating.
 - FTC's IT infrastructure modernization may delay identifying the best solution for the agency.
- **Resource Constraints**
 - Constraints on personnel and funding may limit resources available to implement records retention schedules or develop agency-wide training and may hinder efforts to audit compliance with policies.
 - Limited availability of National Archives and Records Administration (NARA) staff may delay approval of email records schedule.
- **Inflexible Policies and Procedures**
 - As the FTC modernizes IT systems and increases the use of shared and cloud-based services, agency policies and procedures regarding records management, privacy, information security, and risk management may not align with technology and best practices for modernized digital services, causing delays in deployment, increased level of effort, and customer dissatisfaction if expected functionality is not available.
 - Traditional methods of contracting for IT services may hinder the FTC's ability to leverage agile development methods and promote creativity and innovation amongst contractors.

FY 2022 Progress Update

- The FTC advanced toward a next-generation Zero Trust Network Architecture. This modernized architecture includes the migration to a new managed communications service, software-defined wide-area network (SD-WAN), and cloud-based secure gateway for remote employee access. These new technologies are designed to improve performance and user experience, while simultaneously enhancing the agency's information security profile and reducing overall IT costs and complexity.
- The FTC expanded the use of the Microsoft 365 office productivity suite to include the use of SharePoint Online, Teams, OneDrive, and Intune to enhance employee communication and collaboration in a hybrid workplace.
- The FTC awarded new contracts and task orders to address new and expanding requirements for information governance, identity and access management, endpoint security, and cloud application modernization. These contracts were awarded using flexible structures that allow for growth or changes in FTC's needs over time.
- The FTC deployed a pilot project to utilize cloud-based big data analytical tools to support the Bureau of Economics with statistical analysis of large, complex data sets for FTC investigations. This new technology will allow the bureau to process and analyze data faster, with access to machine learning and other advanced tool sets without the constraints of physical infrastructure.
- The FTC deployed a vulnerability disclosure platform (VDP) leveraging CISA's VDP shared services vehicle. This platform will improve the security of FTC's public-facing services by leveraging a community of tens of thousands of cybersecurity experts and researchers to report on potential vulnerabilities impacting FTC services.
- The FTC expanded the use of the cloud-based Relativity eDiscovery legal review platform to include processing of unstructured data formats such as social media, messaging and collaboration, and audio/video files and data using advanced artificial intelligence and machine learning capabilities. This allows the FTC's case teams to process newer forms of electronically stored information without the constraints of physical infrastructure.
- The FTC deployed a managed operations monitoring solution to provide proactive monitoring of infrastructure resources, including compute, application, and network resources to mitigate the impact of latency and performance challenges before users are impacted and provide better data on infrastructure performance.
- The agency drafted a role-based email records schedule for NARA review and appraisal and finalized a policy on the use of electronically stored information.
- The agency updated its annual privacy and security training to include training on email and records management.
- The agency finalized processes for the safeguarding, decontrolling, and destruction of CUI.

FY 2023 Next Steps and Future Actions to Meet Strategic Objective

- Continue the move toward a Zero Trust Network Architecture, in accordance with the OMB Memorandum 22-09 (Federal Zero Trust Strategy), including the optimization of the FTC's remote access and identity management platforms and strengthening of privileged access management and vulnerability management practices.
- Implement an electronic filing system for the Hart-Scott-Rodino (HSR) Premerger Filing process. The HSR electronic filing system will streamline the process for both FTC staff and public stakeholders. The system

will automate and digitize the current manual process for submitting complex and voluminous filings for external parties preparing to merge or acquire.

- Begin the deployment of a centralized security operations center (SOC) through the award of a SOC as a Service contract vehicle. The SOC will provide security monitoring tools and specialized skills needed to analyze log data across FTC IT resources, using advanced AI and machine learning, to proactively detect and mitigate security incidents.
- Roll out an automated onboarding/offboarding application, known as OCHO, to process personnel onboarding, moves, changes, and offboarding across multiple FTC organizations.
- Migrate FTC production file shares to a cloud-based infrastructure environment to remove dependencies for mission-critical case data and file storage on the FTC data center and improve resiliency.
- Roll out agency-wide training on best practices for email records management, including separate training for Commissioners and other senior officials.
- Launch agency-wide training on marking, safeguarding, decontrolling, and destruction of CUI.
- Begin the use of O365 sensitivity labels to designate information containing CUI.
- Deploy new conferencing, communications, and collaboration tools to support a hybrid workplace.

Performance Metrics

Metric 3.3.1: Percentage of FTC IT systems hosted outside of the FTC’s data center.

The FTC intends to move most of its information systems and services to externally hosted environments to comply with Federal requirements for migrating to cloud solutions and away from in-house data centers and improve availability, performance, and security. This metric tracks the number of systems hosted outside the FTC’s Enterprise Data Center.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
N/A	N/A	N/A	N/A	90.0%	90.0%	Met	90.0%	90.0%

FY 2022 Highlights: As new requirements emerge, FTC will continue to prioritize the use of cloud services to meet technology needs. In FY 2023 and FY 2024, FTC does not anticipate any major increase in the number of cloud systems in use as the agency is focusing on utilizing available capabilities in existing cloud services to meet changing business needs.

Metric 3.3.2: Availability of information technology systems.

Information technology systems must be available and accessible to support the FTC mission. Lack of availability and accessibility severely constrains employees’ and managers’ ability to serve the public and stakeholders. This metric tracks service outages and monitors the uptime of 11 critical information technology services, as well as the agency’s infrastructure backbone, including:

- Email
- FTC-specific applications and systems
- Wireless services
- Internet
- Intranet
- Phone and Voicemail
- Wide Area Network
- Litigation support applications and systems
- Economic support systems
- Remote employee access

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
99.71%	99.98%	99.97%	99.94%	99.67%	99.50%	Exceeded	99.50%	99.50%

FY 2022 Highlights: The FY 2022 result of 99.67% represents a decrease in overall system availability from the previous years. This decrease in availability is directly related to the implementation of new technologies and challenges the agency has faced in integrating legacy applications with a modernized networking infrastructure, causing outages and service degradation. Some of these legacy applications are often owned and operated by external parties, such as commercial organizations and other Federal agencies, which presents challenges for FTC as the agency has limited control over the configurations and technologies. During FY 2023, FTC will review lessons learned from these outages and implement projects to optimize network configurations with the goal of improving availability and performance for all user-facing applications and services.

Metric 3.3.3: Annual score on the FTC Cybersecurity Index.

This metric monitors the agency’s progress in achieving multiple critical cybersecurity metrics, each of which measures the agency’s cybersecurity posture and strength in protecting the confidentiality, integrity, and availability of information systems. The cybersecurity metrics that go into this Index are:

- % major system internal users using phishing resistant authenticators
- % total of major systems where the desired state host inventory matches the actual state host inventory
- % government-furnished equipment (GFE) host listed in the desired state host:
 - Endpoint Detection and Response (EDR) software inventory matching the actual state host EDR software inventory
 - Application Control inventory matching the actual state host Application Control software inventory
 - Zero Trust Private Access (ZPA) software inventory matching the actual state host ZPA software inventory
 - Data Loss Detection or Prevention (DLD or DLP) software inventory matching the actual state host DLD/DLP software inventory
 - credential vulnerability scan inventory matching the actual state host credential vulnerability scan inventory
 - log forwarding inventory matching the actual state host log forwarding inventory

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
3 of 8	6 of 8	7 of 8	6 of 8	7 of 8	6 of 8	Exceeded	Baseline (New Index)	TBD

FY 2022 Highlights: Fiscal year 2022 presented significant challenges managing GFE remotely with FTC transitioning to new hybrid work scenarios while also working through new requirements from NIST, OMB, and DHS. Despite these challenges, the FTC was still able to meet targets for scanning, patching applications, servers, network equipment and GFE workstations, ensuring systems and services are secured through multifactor authentication, and ensuring compliance with Executive Orders and Binding Operational Directives. In fiscal year 2023, FTC will be testing new metrics for the cybersecurity index that will better align with zero trust security practices and government-wide cyber maturity models.

Metric 3.3.4: Meet milestones for developing an agency email records schedule and associated email capture and management process.

As most recently articulated in OMB Memorandum M-19-21, Transition to a Fully Electronic Government, federal agencies are required to move towards electronic information resource management and electronic recordkeeping. Various reviews of our internal processes have identified email management and records schedules as significant weaknesses in the FTC’s records management program. Staff is working on the development of an email records schedule and associated process to capture and identify email records and dispose of these records in accordance with the appropriate retention schedule. This metric tracks progress on this important project.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
N/A	N/A	N/A	N/A	Email records schedule and policy drafted	Draft agency-wide policy regarding email and implement agency-wide training on email management	Met	Submit email records schedule to NARA for approval.	Complete evaluation of FTC email management practice.

Metric 3.3.5: Meet project milestones for developing and implementing an agency wide approach for managing Controlled Unclassified Information (CUI).

Federal agencies are required to standardize the designation of confidential yet unclassified information, or CUI, in accordance with 32 CFR 2002, et seq. Designation of this information in a standard manner assures federal agencies that CUI will consistently be handled properly. The agency’s CUI Working Group has been working to implement an agency-wide program. This metric tracks progress on this important project.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2022 Target	FY 2022 Status	FY 2023 Target	FY 2024 Target
N/A	N/A	N/A	N/A	Processes for safeguarding decontrolling and destroying CUI finalized	Implement agency-wide physical safeguarding decontrolling and destruction process for CUI.	Met	Implement marking of information agency-wide and launch agency-wide training.	Conduct CUI program evaluation for DC offices.