Federal Trade Commission

Annual Performance Report For Fiscal Year 2023 and Annual Performance Plan For Fiscal Years 2024-2025

FEDERAL TRADE COMMISSION ★ UNITED STATES OF AMERICA ★ MCMXV

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About This Report

The following document is the Annual Performance Report for fiscal year (FY) 2023 and the Annual Performance Plan for FY 2024 and 2025 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 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 deceptive or unfair 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 though 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, the Federal Trade Commission Act created the FTC, 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.

In 1938, Congress 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 serve 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 Technology, 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 Workplace Inclusivity and Opportunity, 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 2023, the agency's estimated full-time equivalent utilization was 1,217. The total new budget authority for FY 2023 was $430 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 or deceptive practices in the marketplace. The FTC conducts investigations, sues companies and people that violate the law, develops rules to protect the public, advocates to federal agencies for policies that protect consumers, 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, advocacy, 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 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2024 Target	FY 2025 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.	$562.1 million	$639.8 million	$616.8 million	$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.	$12.90 in consumer savings per $1 spent	$9.40 in consumer savings per $1 spent	$7.10 in consumer savings per $1 spent	$7.00 in consumer savings per $1 spent	$5.00 in consumer savings per $1 spent	$5.00 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	25.5%	48.1%	20.0%	20.0%	20.0%
Metric 1.1.4 Percentage of matters seeking significant remedial, precedential, or deterrent effects across the marketplace.	N/A	72.3%	74.1%	65.0%	65.0%	65.0%
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	39.2%	47.7%	35.0%	35.0%	35.0%
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.	85.2%	93.9%	97.7%	80.0%	80.0%	80.0%
Metric 1.1.7 User satisfaction with the FTC's Consumer Response Center call center.	84.0	84.0	85.0	Average rate for government (72.1)	Average rate for government	Average rate for government
Metric 1.1.8 User satisfaction with the FTC's Consumer Response Center website. (a) Mobile (b) Desktop	(a) 83.5 (b) 83.2	(a) 81.7 (b) 80.8	(a) 81.8 (b) 80.9	Average rate for government (a) 72.1 (b) 69.7	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	(a) 73.5 (b) 70.9	(a) 70.5 (b) 69.1	(a) 70.0 (b) 64.7	(a) 70.70 (b) 69.26	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	316	603	300	300	300
Metric 1.2.4 Number of unique page views for consumer and business education digital article and blog posts.	N/A	39.1 million	37.3 million	35.0 million	35.0 million	35.0 million

Strategic Goal 1 Metrics	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2024 Target	FY 2025 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.	505	541	292	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.	39	32	23	20	26	26
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	23.4%	20.4%	20.0%	20.0%	20.0%
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. (a) Based on total # of redress payments (b) Based on the aggregate $$ distributed	N/A	(a) 35.1% (b) N/A	(a) 26.0% (b) 34.7%	30.0% met by either (a) or (b)	30.0% met by either (a) or (b)	30.0% met by either (a) or (b)
Metric 1.4.3 Number of outreach events targeting diverse audiences.	N/A	179	308	165	165	165

Consumer Protection: Highlights of FY 2023 Accomplishments

This fiscal year, the FTC continued to enforce the law against a wide variety of unfair and deceptive practices, pursue policy initiatives to help safeguard Americans' privacy and financial security, and help educate consumers and businesses throughout the country about how to protect themselves against scams and fraud.

Among other outcomes, the FTC's efforts helped to protect privacy and data security for children, consumers, and businesses; hold scammers and fraudsters accountable, particularly as new generative AI tools help to facilitate more sophisticated means of deception; and protect consumers' ability to know whether the products they purchase were made in the USA or abroad and to repair their purchases themselves or through an independent repair service.

In FY 2023, the FTC filed 43 complaints in federal district court and obtained 39 permanent injunctions and orders requiring defendants to pay more than $193.8 million in consumer redress or disgorgement of ill-gotten gains. Defendants were also required to pay over $7.3 million under two civil contempt orders. In addition, cases seeking civil penalties, including cases referred to the Department of Justice (DOJ), resulted in 22 court judgments imposing more than $327.8 million in civil penalties. The FTC issued 11 new administrative complaints and entered 19 final administrative orders requiring defendants to pay over $325 million. The agency also reviewed compliance in over 370 matters, including nearly 2,000 defendants, issued 11 reports on consumer protection, and released more than 250 new and revised consumer and business education publications.

The FTC is committed to using the full extent of its authority to return money to Americans harmed by financial scams and fraud. In *AMG Capital Mgmt., LLC v. FTC*, the Supreme Court ruled that Section 13(b) of the FTC Act does not authorize monetary remedies, eliminating the agency's long-standing and primary tool for obtaining court orders requiring wrongdoers to provide refunds to harmed consumers. In the wake of AMG, the FTC has focused on other remedial powers—such as Section 19 of the FTC Act and the FTC's Penalty Offense authority—to partially compensate for the loss of Section 13(b) monetary relief authority. The FTC has also undertaken rulemakings—including cracking down on deceptive or unfair junk fees and combating deceptive or unfair review and endorsement practices—that, if finalized, will serve as the basis for future enforcement actions that can provide monetary relief to harmed consumers under Section 19. While not a replacement for the FTC's ability to provide relief to consumers under Section 13(b), these efforts allow the Commission to continue obtaining court orders requiring violators to pay refunds to consumers harmed by wrongful conduct. The FTC also has aggressively enforced its orders against repeat offenders, referring cases to criminal authorities as appropriate.

Consumer Protection Law Enforcement and Policy Initiatives

The FTC Protects Americans from False and Deceptive Advertising, Marketing, and Fees

- **Operation Stop Scam Calls:** The FTC and more than 100 federal and state law enforcement partners, including the attorneys general from all 50 states and the District of Columbia, announced a new crackdown on illegal telemarketing calls involving more than 180 actions targeting operations responsible for billions of calls to U.S. consumers. The joint federal and state initiative, "Operation Stop Scam Calls," is part of the Commission's ongoing efforts to combat the scourge of illegal telemarketing, including robocalls. The initiative not only targets telemarketers and the companies that hire them but also takes action against lead generators who deceptively collect and provide consumers' telephone numbers to robocallers and others, falsely representing that these consumers have consented to receive calls. The effort also targets Voice over Internet Protocol (VoIP) service providers who facilitate illegal robocalls every year, which often originate overseas.

  Operation Stop Scam Calls includes five new cases from the FTC against companies and individuals responsible for distributing or assisting the distribution of illegal telemarketing calls to consumers nationwide.

- In a complaint filed by DOJ, the FTC alleges Fluent, LLC and several related corporate defendants tricked consumers into consenting to receive marketing solicitations including telemarketing calls in violation of the FTC Act, Telemarketing Sales Rule (TSR), and the CAN-SPAM Act, which sets rules for commercial email. Under a proposed order, Fluent will be required to pay a $2.5 million civil penalty and be banned from engaging in, assisting, or facilitating robocalls.
- The FTC alleges that California-based Viceroy Media Solutions, LLC, which does business as quick-jobs.com, and Voltron Interactive, and their sole owners Sunil Kanda and Quynh Tran, violated the FTC Act and the TSR by assisting and facilitating millions of illegal robocalls while doing business as a telemarketing lead generator. Viceroy Media Solutions, LLC agreed to an order that bans them from helping companies place robocalls and imposes a $913,636 civil penalty, which will be partially suspended based on their inability to pay.
- The FTC filed a complaint against telemarking company Yodel Technologies, LLC and its owner Robert Pulsipher alleges they violated the TSR by calling millions of consumers whose numbers are on the Do-Not-Call Registry and did not consent to be called. Under the proposed order settling the complaint, Yodel and Pulsipher will be banned from participating in telemarketing, either directly or through an intermediary. It also imposes a $1 million civil penalty against them, which will be partially suspended after they pay $400,000.
- The FTC filed a complaint alleging that New Jersey-based Vision Solar LLC; Solar Xchange LLC, which also did business as Energy Exchange; and its owner, Mark Getts, violated the FTC Act, the TSR, and Arizona's Consumer Fraud Act and Telephone Solicitation Act by making unlawful telemarketing calls on behalf of Vision Solar, a company that sells solar panels. Under the order settling the charges, Solar Xchange and Getts will be prohibited from: misrepresenting that they are affiliated with any utility or government agency; making unsubstantiated claims regarding the cost of installing solar panels; and engaging in abusive telemarketing practices. It also imposes a partially suspended civil penalty of $13.8 million.
- On behalf of the FTC, DOJ filed a complaint against Miami, Florida-based Hello Hello Miami (HHM) and Luis E. Leon Amaris, alleging that the defendants assisted and facilitated the transmission of approximately 37.8 million illegal robocalls by providing VoIP services to more than 11 foreign telemarketers. In its complaint, the FTC is seeking to permanently bar HHM and Amaris from assisting and facilitating illegal telemarketing robocallers and obtain monetary relief for defrauded consumers, as well as civil penalties.

- **Telemarketing Robocalls Enforcement:** The FTC implemented Project Point of No Entry (PoNE) to disrupt foreign-based scammers and imposters responsible for blasting U.S. consumers with annoying and unwanted calls. Through Project PoNE, the Commission: 1) identifies point of entry VoIP service providers that are routing or transmitting illegal call traffic, 2) demands they stop doing so and warns their conduct may violate the Telemarketing Sales Rule, and then 3) monitors them to pursue recalcitrant providers, including by opening law enforcement investigations and filing lawsuits when appropriate. The FTC can seek civil penalties and court injunctions to stop TSR violations. It can also seek money to refund to consumers who were defrauded via illegal telemarketing calls. The FTC coordinates directly with the agency's federal and state partners, which support the program and pursue their own actions to fight illegal telemarketing robocalls.

  On behalf of the FTC, DOJ filed a complaint in federal court against Stratics Networks Inc. and its interconnected web of operations responsible for delivering tens of millions of unwanted Voice Over Internet Protocol (VoIP) and ringless voicemail (RVM) phony debt service robocalls to consumers nationwide. One set of lead generation defendants agreed to settle the complaint in this case. The court order prohibits debt relief lead generator KASM, also doing business as Kasm, Inc., and the company's owner from making the misrepresentations alleged in the complaint and from violating the Telemarketing Sales Rule (TSR). It also requires the defendants to review the methods used by their existing lead generators, determine if leads were sold or offered to them illegally, and stop buying leads from any lead generator found to have sold them such leads. Finally, the consent order imposed a $3.38 million judgment against the defendants, which will be partially suspended based on their inability to pay.

The FTC sued to stop a VoIP provider, Xcast Labs, Inc., that continued to funnel hundreds of millions of illegal robocalls through its network, even after receiving multiple warnings. DOJ filed the complaint in federal court on the FTC's behalf. According to the complaint, in January 2020, the FTC sent letters to a number of VoIP providers, including Xcast Labs, warning them that assisting and facilitating illegal telemarketing or robocalling was against the law. The complaint also alleges that Xcast Labs received dozens of "traceback" inquiries from US Telecom's Industry Traceback Group regarding suspected illegal calls that originated on Xcast Labs' network, as well as inquiries from law enforcement agencies about transmission of suspected illegal traffic on the Xcast Labs network. Even after receiving these direct warnings, the FTC alleges that Xcast Labs transmitted illegal robocalls to consumers.

- **Illegal Telemarketing Orders:** As a result of an FTC lawsuit, American Vehicle Protection Corp., the operators of a telemarketing scam that called hundreds of thousands of consumers nationwide to pitch them expensive "extended automobile warranties," face a lifetime ban from the extended automobile warranty industry and from all outbound telemarketing. There are two separate court orders with the defendants. In addition to the lifetime ban, the first order includes a monetary judgment of $6.6 million, which is largely suspended based on their inability to pay. The second order with Kole Consulting Group and its owner includes a lifetime ban and a monetary judgment of $6.5 million, which is partially suspended once Daniel Kole pays $500,000.
- **Unsolicited Emails Settlement:** Experian Consumer Services (ECS) agreed to pay a $650,000 civil penalty to settle charges it sent consumers unsolicited email without offering them a way to opt out of such messages, as required under the CAN-SPAM Act. The order also prohibits ECS from sending marketing emails that fail to offer a mechanism to opt out of such messages. The complaint was filed by DOJ on behalf of the FTC.
- **Junk Fees Rule:** The FTC launched an advance notice of proposed rulemaking to crack down on junk fees proliferating throughout the economy. Junk fees are unnecessary, unavoidable, or surprise charges that inflate costs while adding little to no value. Consumers can get hit with junk fees at any stage of the purchase or payment process. Companies often harvest junk fees by imposing them on captive consumers or by deploying digital "dark patterns" and other tricks to hide or mask them. If finalized, a rule in this area would allow the Commission to seek penalties against first-time violators or the ability to obtain redress readily for consumers in instances in which fees violate the FTC's prohibition on unfair or deceptive practices.
- **Social Media Advertising 6(b) Orders:** With fraud on social media surging, the FTC issued 6(b) orders to eight social media and video streaming platforms seeking information on how these companies scrutinize and restrict paid commercial advertising that is deceptive or exposes consumers to fraudulent health-care products, financial scams, counterfeit and fake goods, or other fraud. The orders, which the companies are required to comply with by law, were sent to: Meta Platforms, Inc.; Instagram, LLC; YouTube, LLC; TikTok, Inc.; Snap, Inc.; Twitter, Inc.; Pinterest, Inc.; and Twitch Interactive, Inc.
- **Opioid Addiction Recovery Fraud Prevention Act Order:** The FTC took action under the FTC Act and the Opioid Addiction Recovery Fraud Prevention Act (OARFPA), suing Michael J. Connors and companies he controls for deceptively marketing their Smoke Away products as able to eliminate consumers' nicotine

addiction and enable them to quit smoking quickly, easily, and permanently. The case is the FTC's first smoking cessation product challenge under OARFPA, and its first alleging the deceptive use of testimonials to sell a supposed addition-treatment product. The proposed stipulated order settling the Commission's complaint permanently bans Connors—who settled a 2005 FTC complaint regarding Smoke Away—and his companies from marketing or selling any substance use disorder treatment product or service, including any smoking cessation product or service. The order also prohibits the defendants from making health-related advertising claims for other products unless they are substantiated by competent and reliable scientific evidence, prohibits them from using deceptive consumer testimonials, and imposes both a $7.1 million monetary judgment and a $500,000 civil penalty.

In another OARFPA action, the FTC sued Dr. Dalal A. Akoury and a set of companies she controls that operate as AWAREmed Health & Wellness Resource Center, a medical clinic, for making a wide range of false or unsupported claims for addiction treatment services, cancer treatment services, and the treatment of other serious conditions. DOJ filed the case on the FTC's behalf. The court order bars Dr. Akoury and her AWAREmed clinic from making such unsupported claims and requires her to pay a $100,000 civil penalty.

In a third OARFPA action, the FTC sued the makers of Sobrenix, which was marketed to reduce and even eliminate alcohol cravings and consumption. The FTC alleges the marketers, a company called Rejuvica and its owners, Kyle Armstrong and Kyle Dilger, made numerous unsubstantiated and false claims about Sobrenix, a liquid tincture made with a blend of kudzu root and other herbs and vitamins, and used paid endorsers in deceptively formatted advertising. The defendants also used bogus review sites, including one touting Sobrenix, to deceive consumers about their products.

- **Right to Repair Orders:** The FTC approved final orders against motorcycle manufacturer Harley-Davidson Motor Company Group, LLC, grill maker Weber-Stephen Products, LLC, and the manufacturer of Westinghouse outdoor power equipment, MWE Investments, LLC for illegally restricting customers' right to repair their purchased products. The FTC orders require the companies to fix warranties by removing illegal terms and recognizing the right to repair, and ensure that dealers compete fairly with independent third parties.
- **Deceptive Advertising Orders:** In an initial decision, the FTC's Administrative Law Judge (ALJ) ruled that Intuit Inc. (Intuit), the maker of the popular TurboTax tax filing software, "engaged in deceptive advertising in violation of Section 5 of the FTC Act." Specifically, the ALJ found Intuit widely distributed numerous advertisements for TurboTax that "expressly or impliedly represented that the consumer-viewer would be able to file their taxes online for free using TurboTax, when, for a significant proportion of these consumers, this was simply untrue." Under the terms of the ALJ's order, which the Commission will review, Intuit is "prohibited from engaging in deceptive practices in the future." It also is barred from representing that any good or service is free, unless: 1) it is free for all consumers; or 2) all the terms, conditions, and obligations upon which receipt and retention of the "Free" good or service are contingent are set forth clearly and conspicuously at the outset of the offer so as to leave no reasonable probability that the terms of the offer might be misunderstood. Further, if the good or service is not free "to a majority of U.S. taxpayers," this also must be disclosed in a clear and conspicuous manner. The order also prohibits specific misrepresentations by Intuit regarding the tax preparation and filing services it offers, requires that the order be distributed to relevant parties for the next 20 years, and include strict recordkeeping and reporting provisions to ensure the company's compliance.

  The FTC finalized a consent order requiring Ohio-based LCA-Vision Inc., doing business as LasikPlus and Joffe MediCenter, to pay $1.25 million for using deceptive bait-and-switch advertising to trick consumers into believing they could have their vision corrected for less than $300. In reality, only 6.5 percent of consumers lured in for consultations were eligible for the advertised promotional price for both eyes. According to the FTC, despite the advertising claims, for consumers with less than near-normal vision (good enough to drive without glasses), the company typically quoted a price between $1,800 and $2,295 per eye.

- **Use of Consumer Reviews and Testimonials Rule:** The FTC proposed a new rule to prevent marketers from using illicit review and endorsement practices. Such practices may include using fake reviews, suppressing honest negative reviews, and paying for positive reviews, which deceive consumers seeking honest feedback on a product or service and undercut honest businesses. In its notice of proposed rulemaking, the Commission cited examples of clearly deceptive practices involving consumer reviews and testimonials from past cases and also noted the widespread emergence of generative AI, which is likely to make it easier for bad actors to generate fake reviews.
- **Fake Reviews Order:** Roomster Corp. and its owners, John Shriber and Roman Zaks, agreed to a settlement with the FTC and six state partners. The court-approved order permanently bans the defendants from buying or incentivizing consumer reviews as part of a settlement over charges that they bought fake reviews to entice consumers to pay for access to living arrangement listings that they claimed were verified, authentic, and available but often turned out to be fake. In addition, the order includes a monetary judgment of $36.2 million and civil penalties totaling $10.9 million payable to the states. These amounts will be suspended after Roomster and its owners pay $1.6 million to the six states based upon the defendants' inability to pay the full amount.
- **Negative Reviews Order:** Online shoe retailer Hey Dude, Inc. agreed to pay $1.95 million to settle FTC charges that the company misled consumers by suppressing negative reviews, including more than 80 percent of reviews that failed to provide four or more stars out of a possible five. In its Complaint, the FTC also alleged that the company violated the Commission's Mail, Internet, or Telephone Order Merchandise Rule in several ways between 2020 and 2022. The proposed order would bar Hey Dude from future violations of the Mail Order Rule and prohibit the company from making misrepresentations about consumer reviews by requiring it to publish all reviews it receives, including reviews previously withheld from publication, with limited exceptions related to moderation of inappropriate content.
- **Review Hijacking Order:** The FTC acted against a marketer of vitamins and other supplements called The Bountiful Company (Bountiful) for abusing a feature of Amazon.com to deceive consumers into thinking that its newly introduced supplements had more product ratings and reviews, higher average ratings, and "#1 Best Seller" and "Amazon's Choice" badges. The case against Bountiful marks the FTC's first law enforcement challenging "review hijacking," in which a marketer steals or repurposes reviews of another product. The FTC alleged that Bountiful carried out this deceptive tactic by merging its new products on Amazon with different well-established products that had more ratings, reviews, and badges. The order requires Bountiful to pay $600,000 as monetary relief for consumers, prohibits Bountiful from making similar types of misrepresentations, and bars the company from using deceptive review tactics that distort what consumers think about its products or services.
- **Endorsement Guides:** The FTC finalized an updated version of its Guides Concerning the Use of Endorsements and Testimonials in Advertising (Endorsement Guides), which provide agency guidance to businesses and others to ensure that advertising using reviews or endorsements is truthful. The revised FTC Endorsement Guides strengthen and clarify guidance for advertisers and address emerging market trends. The FTC also issued an updated version of a guidance document that answers frequently asked questions about the Endorsement Guides.
- **Deceptive Endorsements Orders:** The FTC finalized consent orders against Google LLC and iHeartMedia, Inc. settling allegations that they produced and aired nearly 29,000 deceptive first-person endorsements by radio personalities promoting the personalities' use of and experience with Google's Pixel 4 phone in 2019 and 2020. The final orders approved by the Commission settle the allegations and bar Google and

iHeartMedia from similar misrepresentations. Separate state judgments also require them to pay a total of $9.4 million in penalties.

- **"Click to Cancel" Rule:** The FTC proposed a "click to cancel" provision requiring sellers to make it as easy for consumers to cancel their enrollment as it was to sign up. The notice of proposed rulemaking is part of the FTC's ongoing review of its 1973 Negative Option Rule, which the agency uses to combat unfair or deceptive practices related to subscriptions, memberships, and other recurring-payment programs.
- **Dark Patterns Orders and Litigation:** Vonage Holdings Corp., an internet phone service provider, agreed to pay $100 million in refunds to consumers harmed by the company's actions, make its cancellation process simple and transparent, and stop charging consumers without their consent. The FTC alleged that the company used dark patterns to make it difficult for consumers to cancel and often continued to illegally charge them even after they spoke to an agent directly and requested cancellation.

  In an action against Amazon.com, Inc., the FTC filed a Complaint charging the company with engaging in a years-long effort to enroll consumers into its Prime program without their consent while knowingly making it difficult for consumers to cancel their subscriptions to Prime. The FTC alleges that Amazon has knowingly duped millions of consumers into unknowingly enrolling in Amazon Prime. Specifically, Amazon used manipulative, coercive, or deceptive user-interface designs known as "dark patterns" to trick consumers into enrolling in automatically-renewing Prime subscriptions. The FTC also alleges that consumers who attempted to cancel Prime were forced to navigate multiple steps to accomplish the task of canceling.

  As a result of an FTC lawsuit, Publishers Clearing House, LLC (PCH) agreed to a proposed court order that will require it to pay $18.5 million to consumers who spent money and wasted their time and make substantial changes to how it conducts business online. The FTC charged that PCH used dark patterns to mislead consumers about how to enter the company's well-known sweepstakes drawings and made them believe that a purchase is necessary to win or would increase their chances of winning, and that their sweepstakes entries were incomplete even when they were not. The FTC also charged that the company has added surprise shipping and handling fees to the costs of products, misrepresented that ordering is "risk free," used deceptive emails as part of its marketing campaign, and misrepresented its policies on selling users' personal data to third parties prior to January 2019. Many consumers affected by these practices are older and lower-income.
- **Business Opportunity Rule:** The FTC launched an advance notice of proposed rulemaking seeking comment from the public on a number of questions related to the rule, including the need for the rule, its benefits and costs to consumers and to industry, the level of compliance with the rule, and any changes that should be made to the rule, including any practices or types of business opportunities that it should cover. The notice also sought comment on whether the rule be expanded to include coaching or mentoring programs, e-commerce opportunities, investment opportunities, or other types of business or money-making opportunities.
- **Business Opportunity Enforcement:** At the request of the FTC, a federal court temporarily shut down a business opportunity scheme that lured consumers to invest $22 million in online stores, using unfounded claims about income and profits. The operators of Automators also claimed to use artificial intelligence to ensure success and profitability for consumers who agreed to invest with Automators. The FTC alleges that the vast majority of Automators' clients did not make the promised earnings or even recoup their investment.
- **Deceptive Earnings Claims Orders:** The FTC took action against DK Automation LLC, related companies, and their principals for using unfounded claims of big returns to entice consumers into moneymaking schemes involving Amazon business packages, business coaching, and cryptocurrency. The defendants agreed to a court order requiring them to turn over $2.6 million to be used to refund consumers harmed

by their deception, as well as requiring them to stop their deceptive earnings pitches and follow the law. The FTC alleged that the defendants promised consumers that they could "generate passive income on autopilot" when in reality, few consumers ever made money from these schemes.

Kyle Dennis, a supposed stock trading "guru" for RagingBull.com, agreed to an order that permanently enjoins him from making further false earnings claims or other false or misleading marketing claims. In its complaint, the FTC alleged that Dennis pitched bogus stock tips that cost consumers more than $40 million. The FTC's complaint further alleged that Dennis pocketed more than $13.6 million personally from the scheme. Due to the Supreme Court's ruling in *AMG Capital Management v. FTC*, however, the FTC was unable to seek money that Dennis earned from the scheme to provide refunds to the consumers he harmed.

The FTC took action to stop Lurn, a Maryland-based online business coaching seller, from making unfounded claims that consumers can make significant income by starting an array of online businesses. In October 2021, the company received Notice of Penalty Offenses from the FTC about earnings claims that listed specific acts and practices that violate the FTC Act, but even after receiving that Notice, Lurn continued deceptively selling its programs. According to the complaint, thousands of consumers purchased tens of millions of dollars in programs from Lurn. The company, its CEO, and two spokespeople agreed to court orders that will require them to stop their unlawful practices and require Lurn and its CEO to turn over $2.5 million to the FTC to be used to refund money to consumers they harmed.

- **Real Estate Scam Order:** The FTC finalized a consent order against Opendoor Labs, Inc. designed to prevent the online real estate business from deceiving consumers about how much money they could save by selling their home to Opendoor, as opposed selling on the open market. The order requires Opendoor to pay $62 million, which is expected to be used for consumer redress; prohibits it from making the deceptive, false, and unsubstantiated claims to consumers about how much money they will receive or the costs they will have to pay to use its service; and requires it to have competent and reliable evidence to support any representations made about the costs, savings, or financial benefits associated with using its service, and any claims about the costs associated with traditional home sales.
- **Pyramid Schemes Order:** A federal court sided with the FTC, ruling that James D. Noland, Jr. illegally owned and operated two pyramid schemes, Success By Health (SBH) and VOZ Travel, in violation of the FTC Act and that Noland violated a previous federal court order barring him from pyramid schemes and from misrepresenting multilevel marketing participants' income potential. The court's ruling permanently bans Noland, his wife Lina Noland, Scott Harris, and Thomas Sacca from any participation in multi-level marketing. The ruling also imposes a $7.3 million judgment on Noland, Harris, and Sacca, the full amount sought by the FTC. Any amount recovered by the FTC will be used to redress consumers.
- **Health Products Compliance Guidance:** The FTC issued "Health Products Compliance Guidance," the agency's first revision of its business guidance in this area in nearly 24 years. The revised business guide represents a substantial update to the staff's 1998 guide, "Dietary Supplements: An Advertising Guide for Industry." Since that guide was issued, the FTC has brought more than 200 cases challenging false or misleading advertising claims for dietary supplements, foods, over-the-counter drugs, and other health-related products. The revised guide draws on those cases with 23 new examples. One major revision is to extend the guidance covering dietary supplements to all health-related products. Among other things, the new guide includes a much more detailed discussion of the amount and type of evidence needed to substantiate health-related claims, with more emphasis on the fact that the FTC, as a general rule, expects high quality randomized, controlled human clinical trials.
- **False or Deceptive Health Claims Order:** ZyCal Bioceuticals Healthcare Company, Inc. and its principals agreed to an order barring them from making claims that their products grow bone and cartilage and

relieve joint pain unless supported by randomized controlled clinical trials. The order also bars them from providing anyone else with the means to make false or misleading claims. The FTC previously settled with another corporate defendant, Excellent Marketing Results, Inc., and its principals.

- **False or Deceptive COVID-19 Related Claims Enforcement:** The FTC took action against California-based Precision Patient Outcomes, Inc. and the company's CEO for marketing an over-the-counter dietary supplement containing nothing more than vitamins, zinc, and a flavonoid as an effective treatment to mitigate the effects of COVID-19. In its complaint, the FTC is seeking to permanently stop the company and its CEO from using deceptive treatment or prevention claims with no supporting scientific evidence to sell their dietary supplement.

  At the request of the FTC, a federal court issued an order permanently banning defendant Frank Romero from offering for sale or selling any protective goods or services, after granting the FTC's motion for summary judgment. The order also includes two monetary judgments against Romero, who has done business under the names Trend Deploy and Uvenux. The first judgment is for $989,483.69, to be returned to consumers harmed by Romero's violations of the FTC Act and the Commission's Mail Order Rule. The court also entered a second civil penalty judgment of $2,562.21 for Romero's violations of the FTC Act with regards to the COVID-19 Consumer Protection Act. The FTC alleged that Romero preyed upon consumers' fear of COVID-19 by advertising the availability and quick delivery of PPE, including N95 facemasks, even though he had no basis to make those promises.

  The FTC brought lawsuits against Eliza Johnson Bacot, Lauren Busch, and Dr. Tina Wong, three current and former high-level distributors—so-called "Wellness Advocates"—of the Utah-based multi-level marketing company doTERRA International, LLC. The FTC alleges the distributors, all current or former healthcare practitioners, made false claims that the company's essential oils and dietary supplements could treat, prevent, or cure COVID-19 in a series of webinars in early 2022 and touted their medical expertise in recommending the products. Each of the defendants agreed to court orders requiring them to pay a $15,000 civil penalty, to stop making unfounded COVID claims, and to back-up any health claims.

  The operators of an alleged grant scam called Grant Bae that targeted minority-owned businesses will face a permanent ban from grant-writing and business consulting services as a result of a lawsuit brought against them by the FTC and the State of Florida. The order against Treashonna P. Graham and C Lee Enterprises includes a monetary judgment of more than $2 million, which is partially suspended due to an inability to pay. An additional settlement with one relief defendant contains a monetary settlement of $115,000, which is fully suspended due to an inability to pay.

  In Blessings in No Time (BINT), the operators of a "blessing loom" investment program that targeted African Americans and people struggling financially during the COVID-19 pandemic agreed to a settlement banning them from the business of multi-level marketing as a result of enforcement actions taken by the FTC and the State of Arkansas alleging they operated an illegal pyramid scheme. In addition to the permanent ban, the defendants are also prohibited from operating any chain referral scheme, including "blessing loom" schemes like BINT, and are banned from making deceptive or unsubstantiated income claims or misrepresentations. Moreover, the defendants will pay at least $450,000 into a fund administered by the state of Texas that will be used to provide refunds to affected consumers.

- **Health-Related Advertising Claims Putting Children At Risk:** As part of its ongoing monitoring of health-related advertising claims, the FTC sent cease and desist letters—jointly with the U.S. Food and Drug Administration (FDA)—to six companies currently marketing edible products containing Delta-8 tetrahydrocannabinol (THC) in packaging that is almost identical to many snacks and candy children eat, including Doritos tortilla chips, Cheetos cheese-flavored snacks, and Nerds candy. According to the letters, after reviewing online marketing for Delta-8 THC products sold by the six companies, the FTC has determined that their advertising may violate Section 5 of the FTC Act, which prohibits unfair or deceptive acts in or affecting commerce, including practices that present unwarranted health or safety risks. The letters stress that preventing practices that present such risks, particularly to children, is one of the Commission's highest priorities, and that imitating non-THC-containing food products that children consume is misleading.

- **Penalty Offense Authority:** The Commission continued its initiative to use its Penalty Offense Authority to deter unfair and deceptive practices on a market-wide basis and to protect consumers from scams that prey on economic precarity. The FTC sent Notice of Penalty Offenses to approximately 670 companies involved in the marketing of OTC drugs, homeopathic products, dietary supplements, or functional foods to place them on notice they could incur significant civil penalties if they fail to adequately substantiate their product claims in ways that run counter to the litigated decisions of prior FTC administrative cases. Notices of penalty offenses allow the agency to seek civil penalties of up to $50,120 per violation against a company that engages in conduct that it knows has been found unlawful in a previous FTC administrative order, other than a consent order.
- **Franchise Rule:** The FTC issued a request for information seeking public comment on franchise agreements and franchisor business practices, including how franchisors may exert control over franchisees and their workers. The FTC is interested in how franchisors disclose certain aspects and contractual terms of the franchise relationship, as well as the scope, application, and effect of those aspects and contractual terms.
- **Energy Labeling Rule:** The FTC updated its Energy Labeling Rule to allow consumers to more accurately compare the estimated annual energy consumption of appliances before they buy them.
- **Green Guides:** The FTC announced that it is seeking public comment on potential updates and changes to the Green Guides for the Use of Environmental Claims. The Commission's Green Guides help marketers avoid making environmental marketing claims that are unfair or deceptive under Section 5 of the FTC Act. The Commission seeks to update the guides based on increasing consumer interest in buying environmentally friendly products. As part of the Green Guides review, the FTC also held a workshop, "Talking Trash at the FTC: Recyclable Claims and Green Guides," to examine "recyclable" advertising claims. The workshop included three panel discussions featuring a range of stakeholders focusing on the current state of the recycling market and claims, the consumer perception of recycling claims, and the future of the Green Guides.
- **Deceptive Energy-Efficiency Claims Order:** In response to legal action by the FTC, a federal court ordered Superior Products International II, Inc. and its CEO to permanently halt the deceptive energy-efficiency claims they had been making about coating products sold for houses and other buildings. The court issued a permanent injunction prohibiting Superior Products and Pritchett from misrepresenting the coatings' insulating or energy-saving capabilities and imposed a monetary judgment of $14,182.95 against them.
- **Eyeglass Rule:** The FTC issued a notice of proposed rulemaking to update its Ophthalmic Practices Rules, known as the Eyeglass Rule, to ensure ophthalmologists and optometrists provide patients with a copy of their prescription immediately after the completion of a refractive eye exam, get a signed statement from the patient confirming that they have received their prescription, and keep a record of that confirmation for at least three years. The FTC hosted a workshop, "A Clear Look at the Eyeglass Rule," to examine proposed changes to its Eyeglass Rule.
- **Contact Lens Rule:** The FTC sent 61 cease and desist letters to eye care prescribers after receiving complaints claiming that the prescribers failed to comply with the Contact Lens Rule. Some letters also cited potential violations of the Ophthalmic Practice Rules (known as the Eyeglass Rule). These rules ensure consumers the right to comparison shop for prescription lenses. The letters warn the prescribers that violations of the Contact Lens Rule or Eyeglass Rule may result in legal action, including civil penalties of up to $50,120 per violation.

- **Funeral Rule:** FTC action against Funeral & Cremation Group of North America, LLC, Legacy Cremation Services, LLC, and their owner led to a court order requiring the defendants to pay $275,000 in civil penalties and abide by strict requirements on how they communicate with customers. On behalf of the FTC, DOJ alleged the defendants misrepresented their location, leading consumers to believe they were a local provider, advertised deceptively low prices, made illegal threats, failed to return cremated remains to bereaved consumers, and failed to provide disclosures required by the Funeral Rule.

  The FTC is exploring possible steps to strengthen and modernize the Funeral Rule, which requires funeral providers to give in-person visitors price information to make informed decisions. The staff report "Shopping for Funeral Services Online: An FTC Review of Funeral Provider Websites" found that fewer than 40 percent of the funeral provider websites the agency reviewed provide any prices online. The FTC launched an advance notice of proposed rulemaking concerning potential amendments to the rule, including whether and how funeral providers should be required to display or distribute their price information online and through electronic means. The FTC also hosted a public workshop in September 2023 seeking input on proposed changes to the Funeral Rule. The workshop explored many of the issues raised in the advance notice of proposed rulemaking, including whether and how funeral providers should be required to display or distribute their price information online or through electronic means.

The FTC Protects Americans from Fraud and Deception in Consumer Finance Markets

- **Deceptive Pre-Approved Claims Order:** The FTC finalized a consent order settling charges that credit services company Credit Karma, LLC deployed dark patterns to misrepresent that consumers were "pre-approved" for credit card offers. The consent order requires the company to pay $3 million that will be sent to consumers who wasted time applying for these credit cards and to stop making these types of deceptive claims.
- **Money-Making Opportunities Order:** As a result of a lawsuit filed by the FTC and the Utah Division of Consumer Protection (DCP), the principals of a Utah-based real estate investment training company, Response Marketing Group, LLC, will pay $15 million and be banned from selling money-making opportunities. The settlement includes two of Response Marketing's affiliates, Nudge, LLC and BuyPD, LLC, along with the four individuals who the complaint alleges were the actual owners of Response Marketing and Response Marketing's President. In addition, two of the primary real estate celebrities, Scott Yancey and Dean R. Graziosi, who endorsed the training, have agreed to separate settlements that require them to pay $1.7 million. The settlements with Graziosi and Yancey are the FTC's first monetary settlements with celebrity endorsers.

  As the result of an FTC lawsuit, investment advice company WealthPress Holdings LLC has agreed to a proposed court order that would require it to refund more than $1.2 million to consumers and pay a $500,000 civil penalty for deceiving consumers with outlandish and false claims about their services. The case marks the first time that the FTC has collected civil penalties against a company that received the Notice of Penalty Offenses regarding money-making opportunities sent in October 2021, and the first civil penalties for violations of the Restore Online Shoppers' Confidence Act (ROSCA).
- **Payment Processors Order:** The FTC acted to stop Nexway SASU, a multinational payment processing company, along with several of its subsidiaries, an associated company known as Asknet Solutions AG, its CEO, and its chief strategy officer, from serving as a facilitator for the tech support scammers through credit card laundering. The defendants in the case have agreed to court orders that prohibit them from any further payment laundering and require them to closely monitor other high-risk clients for illegal activity. The court orders also contain a total monetary judgment of $16.5 million, which will be partially suspended once Nexway and its subsidiaries pay $350,000, Asknet and its subsidiaries pay $150,000, its

CEO pays $100,000, and the chief strategy officer pays $50,000. The complaint and orders were filed by the DOJ on behalf of the FTC.

- **Credit Repair Scheme Order:** As the result of an FTC lawsuit, the operators of "The Credit Game," a credit repair scheme that cost consumers millions of dollars, face a lifetime ban from the credit repair industry. The orders contain a total monetary judgment of over $18.8 million, which is partially suspended. The defendants are required to turn over a wide array of property that would be liquidated and used to provide refunds to consumers harmed by the scam. The FTC alleged that the company illegally charged consumers hundreds and even thousands of dollars for credit repair services of little to no value and told consumers to "invest" their COVID-19 governmental benefits in a business opportunity that amounted to starting their own bogus credit repair scheme. In some cases, the company's "services" also allegedly included filing false identity theft reports with the FTC and encouraging consumers to take actions that were unlawful.
- **Credit Card Disputes Litigation:** The FTC and State of Florida filed suit against Chargebacks911 for unfairly thwarting consumers who were trying to dispute credit card charges through the chargeback process. The FTC and Florida allege that since at least 2016, the "chargeback mitigation" company and its owners have used multiple unfair techniques to prevent consumers from successfully winning chargeback disputes.
- **Deceptive Cryptocurrency Claims Order:** The FTC reached a settlement with bankrupt cryptocurrency platform Celsius Network. The order charged three former executives with tricking consumers into transferring cryptocurrency onto the platform by falsely promising that deposits would be safe and always available and will permanently ban them from handling consumers' assets. The settlement permanently bans Celsius and its affiliates from offering, marketing, or promoting any product or service that could be used to deposit, exchange, invest, or withdraw any assets. The affiliate companies also agreed to a judgment of $4.7 billion, which will be suspended to permit Celsius to return its remaining assets to consumers in bankruptcy proceedings. The FTC's case against the three former executives will proceed in federal court.
- **Deceptive Financing Provider Order:** The FTC and State of California took action against home improvement financing provider Ygrene Energy Fund Inc. for deceiving consumers about the potential financial impact of its financing, and for unfairly recording liens on consumers' homes without their consent. Ygrene agreed to pay $3 million to provide relief to certain consumers whose homes are subject to the company's liens and to stop its deceptive practices and meaningfully oversee the contractors who have served as its salesforce.
- **Student Loan Debt Relief:** The FTC stopped SL Finance LLC and BCO Consulting Services Inc., a pair of student loan debt relief schemes that it alleges bilked students out of approximately $12 million by using deceptive claims about repayment programs and loan forgiveness that did not exist. The agency also alleges the companies falsely claimed to be or be affiliated with the Department of Education and told students that the illegal payments the companies collected would count towards their loans.

  The FTC took action to stop scammers who the agency alleges facilitated an operation to prey on students seeking debt relief. The agency alleges that the Apex Processing Center pretended to be affiliated with the U.S. Department of Education, used deceptive loan forgiveness promises, and falsely claimed they were offering relief under the "Biden Loan Forgiveness" plan to lure students and collect millions in illegal upfront fees.
- **Credit Card Debt Relief:** As the result of an FTC lawsuit, ACRO Services LLC, the operators of an alleged credit card debt relief scheme based in Tennessee, have agreed to court orders that would permanently ban them from telemarketing and selling debt relief products or services. The orders contain a total monetary judgment of $17.5 million, which is partially suspended. The FTC alleged the defendants took tens of millions of dollars from people by falsely promising to eliminate or substantially reduce their credit card debt.

The FTC Safeguards Americans' Privacy and Data Security

- **Meta Consent Order:** The FTC proposed changes to the agency's 2020 privacy order with Facebook, Inc. after alleging that the company has failed to fully comply with the order, misled parents about their ability to control with whom their children communicated through its Messenger Kids app, and misrepresented the access it provided some app developers to private user data. As part of the proposed changes, Meta, which changed its name from Facebook in October 2021, would be prohibited from profiting from data it collects, including through its virtual reality products, from users under the age of 18. It would also be subject to other expanded limitations, including its use of facial recognition technology, and required to provide additional protections for users.

- **Children's Online Privacy Protection Act Orders:** The FTC secured agreements requiring Epic Games, Inc., creator of the popular video game Fortnite, to pay a total of $520 million in relief over allegations the company violated the Children's Online Privacy Protection Act (COPPA) and deployed design tricks, known as dark patterns, to dupe millions of players into making unintentional purchases. The FTC's action against Epic involves two separate record-breaking settlements. As part of a proposed federal court order filed by DOJ on behalf of the FTC, Epic will pay a $275 million monetary penalty for violating the COPPA Rule, which is the largest penalty ever obtained for violating an FTC rule. Additionally, in a first-of-its-kind provision, Epic will be required to adopt strong privacy default settings for children and teens, ensuring that voice and text communications are turned off by default. Under a separate administrative order, Epic will pay $245 million to refund consumers for its dark patterns and billing practices, which is the FTC's largest refund amount in a gaming case.

  To settle charges that it violated the COPPA Rule and deceived parents and users of the Alexa voice assistant service about its data deletion practices, Amazon.com, Inc. has agreed to pay a $25 million civil penalty, overhaul its deletion practices, and implement stringent privacy safeguards. According to the complaint filed by the DOJ on behalf of the FTC, Amazon prevented parents from exercising their deletion rights under the COPPA Rule, kept sensitive voice and geolocation data for years, and used it for its own purposes, while putting data at risk of harm from unnecessary access.

  Microsoft Corporation will pay $20 million to settle FTC charges that it violated COPPA collecting personal information from children who signed up to its Xbox gaming system without notifying their parents or obtaining their parents' consent, and by illegally retaining children's personal information. As part of a proposed order filed by the DOJ on behalf of the FTC, Microsoft will be required to take several steps to bolster privacy protections for child users of its Xbox system. For example, the order will extend COPPA protections to third-party gaming publishers with whom Microsoft shares children's data. In addition, the order makes clear that avatars generated from a child's image, and biometric and health information, are covered by the COPPA Rule when collected with other personal data.

  The FTC obtained an order against education technology provider Edmodo, Inc. for collecting personal data from children without obtaining their parent's consent and using that data for advertising, in violation of the COPPA Rule, and for unlawfully outsourcing its COPPA compliance responsibilities to schools. Under the order, Edmodo is, among other things, prohibited from requiring students to hand over more personal data than is necessary to participate in an online educational activity, which is a first for an FTC order. The proposed order also includes a suspended civil penalty of $6 million.

- **Health Breach Notification Rule Orders:** The FTC took enforcement action for the first time under its Health Breach Notification Rule against the telehealth and prescription drug discount provider GoodRx Holdings Inc., for failing to notify consumers and others of its unauthorized disclosures of consumers' personal health information to Facebook, Google, and other companies. In a first-of-its-kind proposed order, filed by DOJ on behalf of the FTC, GoodRx is prohibited from sharing user health data with applicable third parties for advertising purposes, and has agreed to pay a $1.5 million civil penalty for violating the rule.

The FTC charged that the developer of the fertility app Premom deceived users by sharing their sensitive personal information with third parties, including two China-based firms, disclosed users' sensitive health data to AppsFlyer and Google, and failed to notify consumers of these unauthorized disclosures in violation of the Health Breach Notification Rule. The order, which was entered on June 22, 2023, prohibits the app developer, Easy Care Healthcare Corporation, from sharing users' personal health data with third parties for advertising, requires the app to obtain users' consent before sharing health data for any other purpose, and to tell consumers how their personal data will be used.

The FTC is seeking comment on proposed changes to the Health Breach Notification Rule that include clarifying the rule's applicability to health apps and other similar technologies. Since the rule's issuance, health apps and other direct-to-consumer health technologies, such as fitness trackers, have become commonplace. The proposed changes to the rule come as business practices and technological developments increase both the amount of health data collected from consumers, and the incentive for companies to use or disclose that sensitive data for marketing and other purposes.

- **Biometric Information Policy Statement:** The FTC issued a policy statement warning that the increasing use of consumers' biometric information and related technologies, including those powered by machine learning, raises significant consumer privacy and data security concerns and the potential for bias and discrimination. Biometric information refers to data that depict or describe physical, biological, or behavioral traits, characteristics, or measurements of or relating to an identified or identifiable person's body. The policy statement warns that false or unsubstantiated claims about the accuracy or efficacy of biometric information technologies or about the collection and use of biometric information may violate the FTC Act.
- **Health Data Orders:** The FTC finalized an order banning online counseling service BetterHelp, Inc. from sharing consumers' health data, including sensitive information about mental health challenges, for advertising. The order also requires the company to pay $7.8 million to consumers to settle charges that it revealed consumers' sensitive data with third parties such as Facebook and Snapchat for advertising after promising to keep such data private.

  The FTC charged that the genetic testing firm 1Health.io Inc., formerly known as Vitagene, left sensitive genetic and health data unsecured, deceived consumers about their ability to get their data deleted, and changed its privacy policy retroactively without adequately notifying and obtaining consent from consumers whose data the company had already collected. As part of the final order with the FTC, 1Health agreed to pay $75,000 and will strengthen protections for genetic information and instruct third-party contract laboratories to destroy all consumer DNA samples that have been retained for more than 180 days.
- **Health Privacy:** The FTC and the U.S. Department of Health and Human Services' Office for Civil Rights (OCR) cautioned hospitals and telehealth providers about the privacy and security risks related to the use of online tracking technologies integrated into their websites or mobile apps that may be impermissibly disclosing consumers' sensitive personal health data to third parties. The two agencies sent a joint letter to approximately 130 hospital systems and telehealth providers to alert them about the risks and concerns regarding the use of technologies, such as the Meta/Facebook pixel and Google Analytics, that can track a user's online activities. These tracking technologies gather identifiable information about users, usually without their knowledge and in ways that are hard for users to avoid, as users interact with a website or mobile app.
- **Illegal Surveillance Order:** The FTC charged home security camera company Ring, LLC with compromising its customers' privacy by allowing any employee or contractor to access consumers' private videos and by failing to implement basic privacy and security protections, enabling hackers to take control of consumers' accounts, cameras, and videos. The court order requires Ring to pay $5.8 million and to delete data products such as data, models, and algorithms derived from videos it unlawfully reviewed. The order also

requires Ring to implement a privacy and security program with novel safeguards on human review of videos as well as other stringent security controls, such as multi-factor authentication for both employee and customer accounts.

- **Data Security Orders:** The FTC finalized an order with online alcohol marketplace Drizly, LLC and its CEO over security failures by the company that the FTC said led to a data breach exposing the personal information of about 2.5 million consumers. The FTC alleged that Drizly and its CEO were alerted to security vulnerabilities two years prior to the 2020 breach yet failed to take steps to protect consumers' data from hackers despite publicly claiming to have appropriate security protections in place. The FTC's order, among other things, requires Drizly to destroy any personal data it collected that is not necessary for it to provide products or services to consumers and must refrain from collecting or storing personal information unless it is necessary for specific purposes outlined in a retention schedule.

  The FTC finalized its order with education technology provider Chegg Inc. for its careless data security practices that exposed sensitive information about millions of Chegg's customers and employees, including Social Security numbers, email addresses, and passwords. The FTC's order requires Chegg to implement a comprehensive information security program, limit the data the company can collect and retain, offer users multifactor authentication to secure their accounts, and allow users to request access to and deletion of their data.

- **Tax Prep Consumer Data:** The FTC used its penalty offense authority to warn five tax preparation companies that they could face civil penalties if they use or disclose confidential data, collected from consumers for the purpose of preparing their taxes, for unrelated purposes such as advertising, without first obtaining consumers' consent. By sending a Notice of Penalty Offenses, the agency is warning recipients they could incur civil penalties of up to $50,120 per violation if they misuse personal data in ways that run counter to the original purpose for which this information was collected.

- **Fair Credit Reporting Act Violations Orders:** Background report providers TruthFinder and Instant Checkmate agreed to a proposed order requiring them to pay $5.8 million to settle charges that they deceived consumers about whether consumers had criminal records and that the companies violated the Fair Credit Reporting Act (FCRA) by operating as consumer reporting agencies while, among other things, failing to ensure the maximum possible accuracy of their consumer reports. The proposed order also requires the companies to implement an FCRA monitoring program, among other provisions.

The FTC Works to Protect Every Community

- **Scams Targeting Black and Latino Consumers:** The FTC took action against auto dealer Passport Automotive Group for deceiving consumers by tacking hundreds to thousands of dollars in illegal junk fees onto car prices and for discriminating against Black and Latino consumers with higher financing costs and fees. Passport, its president, and its vice president will pay more than $3.3 million to settle the FTC's lawsuit, which will be used to refund consumers harmed by Passport's conduct.

  In response to an action filed by the FTC, a federal court entered a temporary restraining order against the operators of a Florida-based business opportunity and real estate investment training scheme known as Ganadores Online and Ganadores Inversiones Bienes Raíces. The FTC charges that the companies behind Ganadores, their owners, and key employees targeted Spanish-speaking consumers with brazen and false money-making pitches for online businesses and real estate investments.

- **Scams Targeting or Disproportionately Impacting Older Adults:** The DOJ, on behalf of the FTC and the Wisconsin Attorney General, filed suit against Consumer Law Protection, LLC and related companies, along with their owners and operators, for scamming consumers, mostly older adults, out of more than $90 million in a massive timeshare exit scam. Since at least 2018, the defendants used direct mail and in person “seminars” to pitch a dizzying array of deceptive claims to pressure consumers into paying for their services.

- **Background Screening Issues:** The FTC and the Consumer Financial Protection Bureau (CFPB) requested comment on background screening issues affecting individuals who seek rental housing in the United States, including how the use of criminal and eviction records and algorithms affect tenant screening decisions and may be driving discriminatory outcomes. The FTC and CFPB are working closely to identify practices that may unfairly prevent consumers from obtaining and retaining housing, and comments to the Request for Information (RFI) will help inform enforcement and policy actions under each agency’s jurisdiction. The Fair Credit Reporting Act, which the FTC and CFPB both enforce, also imposes requirements on many aspects of the tenant screening process.

The FTC Protects Small Businesses

- **Made in the USA:** The FTC finalized a consent order against Electrowarmth Products, LLC and its owner for deceptively claiming the heated fabric mattress pads they sell for truck bunks are made in the USA. The final order prohibits Grindle and Electrowarmth from making any country-of-origin claim about a product or service unless the claim is not misleading and they have a reasonable basis that substantiates their claim. It also requires the respondents to make certain disclosures about the country of origin of any product subject to the Textile Fiber Products Identification Act, and to provide compliance reports. The order also imposes a suspended $815,809 monetary judgment.

  The FTC finalized its order against Instant Brands LLC, manufacturer of Pyrex-brand kitchen and home products, for making false “Made in USA” claims. The order stops the company from making deceptive claims about products being “Made in USA” and requires it to pay a $129,416 judgment.

  The FTC finalized its order against motocross and ATV parts maker Cycra, Inc. and its officer for falsely claiming that the company’s products were manufactured in the United States. The order stops Cycra and its officer from making deceptive claims about products being “Made in USA” and require them to pay a monetary judgment of $872,577, which is partially suspended once the defendants pay $221,385.66.

  FTC took action against Chaucer Accessories, Inc., Bates Accessories, Inc., and Bates Retail Group, Inc., a group of Massachusetts and New Hampshire based clothing accessories companies, and their owner for falsely claiming that certain company products were manufactured in the United States. The final order stops the companies and their owner, Thomas Bates, from making deceptive claims about products being “Made in USA” and requires them to pay a monetary judgment of $191,481.

- **Small Business Debt Collection:** As a result of action by the FTC and Commonwealth of Pennsylvania, debt collection company International Credit Recovery, Inc. (ICR), an officer, and a manager agreed to a permanent ban from the debt collection industry after being charged with engaging in bogus debt collection efforts against businesses and non-profits. The FTC and Pennsylvania alleged that ICR was a key part of a telemarketing scheme run by American Future Systems, Inc., (AFS), which also does business as Progressive Business Publications and the Center for Education and Employment Law. ICR allegedly collected on debts AFS claimed organizations such as businesses, schools, fire and police departments, and non-profits owed for book and newsletter subscriptions they did not order. The settling defendants are also required to cooperate since the case will continue against the other defendants.

- **Small Business Credit Reporting:** The FTC launched an inquiry into the small business credit reporting industry, ordering five firms in that industry to provide the Commission with detailed information about their products and processes. The orders were issued to Dun & Bradstreet, Experian Information Solutions, Equifax, Ansonia Credit Data, and Creditsafe USA. The Commission’s inquiry will examine multiple aspects of how information is collected and processed for business credit reports, how the reports are marketed, and how and whether the credit reporting companies address factual errors in the reports. In addition to information about these topics, the orders also require the companies to provide information on services they provide to businesses to monitor or enhance their own credit reports.

- **Workers and Small Businesses in the Gig Economy:** The FTC finalized a consent order against Denver-based HomeAdvisor, Inc., a company affiliated with Angi, formerly known as "Angie's List," settling allegations that it used a wide range of deceptive and misleading tactics in selling home improvement project leads to service providers, including small businesses operating in the "gig" economy. The final order requires that HomeAdvisor pay up to $7.2 million for redress and prohibits the company from making any false or misleading claims regarding its leads, including that they concern individuals who are ready to hire a service provider or who submitted a request for home services directly to HomeAdvisor.

Consumer Protection Law Enforcement Collaboration and Advocacy

- **Key Law Enforcement Tools:** In FY 2023, more than 7.7 million fraud, identity theft, financial, and DNC complaints were added to the FTC's Consumer Sentinel Network (CSN) database. Nearly 3,000 law enforcement users worldwide have access to CSN. In FY 2023, over 249 million telephone numbers were on the National Do-Not-Call Registry. In FY 2023, the Consumer Response Center handled more than 51,000 inquiries and complaints from consumers and businesses each week, for a total of 2.7 million complaints and inquiries. The FTC also maintains the federal government's central repository for identity theft complaints. The one-stop website is integrated with the FTC's consumer complaint system, allowing consumers who are victims of identity theft to rapidly file a complaint with the FTC and create the documents they need to alert police, the nationwide consumer reporting agencies, and the Internal Revenue Service (IRS).

- **Criminal Referrals:** The FTC continues to refer law violators to criminal law enforcement agencies for prosecution. In Fiscal Year 2023, FTC staff actively worked on 37 new formal requests for cooperation from our criminal law enforcement partners, including 29 federal, five state, and three local requests. In Fiscal Year 2023, prosecutors relied on FTC information and support to charge 18 new defendants and obtain eight new convictions. Nineteen defendants were sentenced during this period, and those sentences included prison terms totaling 429 months. Of these defendants, Steven Short was sentenced to 78 months in prison for his role in a credit-card laundering scheme. Another defendant, Jennifer Shah, was sentenced to 78 months in prison for her role in a nationwide telemarketing fraud scheme that targeted elderly victims. Additionally, Sergio Rodriguez was sentenced to 48 months in prison for his participation in a foreclosure rescue scam that defrauded thousands of financially distressed homeowners.

- **Collaboration with State Attorneys General:** In addition to the FTC's collaboration with attorneys general from all 50 states the District of Columbia to crack down on illegal telemarketing calls, the FTC continues to partner with state attorneys general to protect consumers from unfair and deceptive practices across the marketplace. In FY 2023, the FTC and the Wisconsin Attorney General together filed suit against a timeshare exit scam for defrauding older adults and other consumers out of more than $90 million; the FTC worked with the Utah Attorney General to stop a real estate investment training from false promising wealth creation opportunities; and the FTC, in collaboration with the California Attorney General, took action against a home improvement financing provider for deceiving property owners about the terms attached to home improvement financing.

  The FTC also issued a request for public information (RFI) seeking public comments and suggestions on ways it can work more effectively with state attorneys general to help educate consumers about, and protect them from, potential fraud. The RFI comes at the direction of the FTC Collaboration Act of 2021. The Collaboration Act directs the FTC to "conduct a study on facilitating and refining existing efforts with State Attorneys General to prevent, publicize, and penalize frauds and scams being perpetrated on individuals in the United States." It further requires the Commission to consult directly with interested stakeholders, as well as provide the opportunity for public comment and advice relevant to the production of the study.

- **Advocacy in the Courts and Other Federal Agencies:** The FTC filed briefs and comments with federal and state government bodies advocating for policies that promote the interests of consumers and highlighting the role consumer and empirical research might play in their decision-making.
  - The FTC joined the CFPB in filing a friend-of-the-court (amicus) brief with the U.S. Court of Appeals for the Eleventh Circuit in the case of *Louis v. Bluegreen Vacations Unlimited, Inc.* The brief asks the appeals court to overturn a lower court decision that denied servicemembers the right to sue to invalidate a contract that they allege violates the Military Lending Act. The district court erred, the brief argues, and its ruling could undermine enforcement of the Military Lending Act, a law designed to protect military families from predatory lending. Servicemembers are particularly vulnerable to predatory practices, which can undermine military readiness and morale.
  - The FTC filed an amicus brief arguing that the Children's Online Privacy Protection Act (COPPA) does not preempt state privacy laws that are consistent with COPPA. The brief was filed in support of a federal appeals court's ruling in *Jones v. Google,* a case in which a group of children allege that Google collected data and surreptitiously tracked their online activity in violation of state laws.
  - The FTC filed an amicus brief in the U.S. Court of Appeals for the Seventh Circuit challenging a district court ruling that invalidated a key anti-discrimination rule in the Equal Credit Opportunity Act (ECOA). The case, *CFPB v. Townstone Financial and Barry Sturner*, relates to a Chicago-based mortgage lender and its owner, which the CFPB alleged violated Regulation B, the rule that implements ECOA. The CFPB alleged that the defendants took steps to discourage Black consumers from applying for loans, violating Regulation B's anti-discouragement rule. The district court ruled that the anti-discouragement provision was invalid and that ECOA protects only those consumers who have already applied for credit. In its brief, the FTC argues that the district court's ruling was incorrect. The Commission's brief notes that the anti-discouragement rule—which has stood for nearly 50 years—is authorized by the plain language of ECOA, which mandates that regulators further ECOA's "purpose" and prevent its "evasion." The FTC also argues that the district court's ruling would have "profoundly negative consequences" for consumers, emboldening discriminatory lenders to openly discourage consumers from applying for loans.
  - The FTC filed a comment with the U.S. Department of Education regarding the U.S. Department of Education's proposed regulations to protect postsecondary students in the education marketplace. In the comment, FTC staff stresses its support of the Education Department's proposed regulations, noting that prohibiting misrepresentations and deceptive recruitment practices would help curb the very type of harm that the FTC has encountered in its cases. Staff's comment also notes that, given the importance and expense of education, the FTC has prioritized protecting consumers from unfair and deceptive practices in this space. The comment endorses the Education Department's effort to protect consumers from the harms caused by such practices in the education marketplace.
- **SAFE WEB:** In 2023, the FTC gathered data and information and submitted its SafeWeb Report to Congress, detailing the agency's efforts to combat cross-border fraud through the U.S. SAFE WEB Act and its and work contributing to the fight against ransomware and other cyber attacks that originate outside the United States.
- **International Cooperation on Fighting Fraud:** In FY 2023, the FTC renewed its Memorandum of Understanding (MOU) with the Unsolicited Communications Enforcement Network, which includes the FCC as well as international counterparts in Canada, Australia, New Zealand, South Korea, and the UK. In addition, the FTC partnered with Latin American countries to fight fraud, entering into a multilateral MOU with Chile, Colombia, Mexico, and Peru. In FY 2022 and 2023, the agency worked with international partners to ensure that victims of the Next-Gen sweepstakes scam were eligible to receive refunds.

- **Providing Expertise Internationally:** The FTC provided input to international policy organizations such as the OECD, UNCTAD, APEC, and the Global Privacy Assembly, dealing with such issues as dark commercial patterns, artificial intelligence, sustainability, 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. The FTC and the European Commission launched a consumer dialogue which included bilateral discussions and webinars for FTC, EC, and member state officials to exchange expertise on dark patterns, online reviews, environmental claims, repair restrictions, and other topics of mutual interest. The FTC led the G7 data protection authorities' work on enforcement cooperation, and in June participated in a G7 roundtable of these authorities, engaging in dialogues on various cutting edge privacy topics, including generative AI.

Consumer Protection Research, Outreach, and Education

- **Open Commission Meetings:** During FY 2023, the FTC held eight Open Commission Meetings to provide a forum for the public to directly engage with the work of the Commission. These meetings begin with an opportunity for any member of the public to address the Commission and share their experiences in the marketplace, followed by Commission discussion on key agency priorities, including protecting children's privacy online, eliminating junk fees, and halting scams that target our nation's veterans and servicemembers. During FY 2023, nearly 150 members of the public—from small business and franchise owners to advocates for children's privacy to grocery store workers to the Majority Leader of the United States Senate—had the opportunity to speak before the Commission, and these meetings opened the FTC's important work to protect consumers to thousands of viewers across the country.
- **Outreach to Older Americans:** The FTC's Pass It On campaign (ftc.gov/PassItOn and ftc.gov/Pasalo in Spanish), tailored to people aged 65 and older, shares information about fraud and encourages readers to share it with a friend. The agency has expanded upon the successful campaign by adding topics and refreshing its approach as part of its Stop Senior Scams Act activities. As part of the 2023 rollout of the refreshed materials, the FTC held public-facing webinars that brought in more than 2,600 attendees. the agency continues to promote these resources through webinars and presentations in collaboration with other federal agencies, such as the CFPB, local government offices on aging, legal services providers, and non-profit organizations including AARP and the Senior Medicare Patrol. Nearly 20 million pieces of Pass It On educational material have been distributed since the campaign launched in July 2014.
- **Protecting Older Consumers Report:** In October 2022, the Commission issued "Protecting Older Consumers 2021-2022: A Report of the Federal Trade Commission." The report highlights key trends based on fraud reports by older adults, and the FTC's efforts to combat the pressing problems through law enforcement actions, rulemaking, and outreach and education programs. New analysis in the report identified differences in the fraud types and payment methods reported by older adults most likely to be Black, Latino, and Asian American and Pacific Islander compared to reports from all consumers.
- **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 more than 1.2 million Military Consumer bookmarks to the military community, guiding servicemembers, veterans, and their families to MilitaryConsumer.gov.

- **Outreach to 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. Providing information and guidance to small businesses in communities of color is a priority for the agency, which makes business education materials available in Spanish. Outreach efforts are ongoing to reach minority-owned businesses, as well as women-owned businesses, veteran-owned businesses, and other historically disadvantaged small businesses. Agency staff regularly engage chambers of commerce that represent diverse business communities and provides advice to the Small Business Administration's (SBA) District Offices on cybersecurity scams that target small business owners and their business networks. The FTC continues to promote free resources for small business owners to help train their employees on cybersecurity threats. The FTC participated in the SBA's four-day 2023 National Small Business Virtual Summit and, among other efforts, continues expand the reach of its Spanish language campaign materials on cybersecurity and the scams that target small businesses, in collaboration with the SBA, the SBA's Small Business Development Corporations (SBDCs), the Better Business Bureau (BBB), and local Hispanic Chambers of Commerce.
- **Consumer Issues Affecting American Indian and Alaska Native Communities Report:** In 2022, the FTC engaged in a national outreach and education efforts to gain a broader understanding of the particular consumer protection challenges American Indian and Alaska Native communities experience and how the Agency may work to further support these communities. This effort included listening to and collaborating with sources in American Indian and Alaska Native communities as well as analyzing consumer complaints to the FTC from individuals in these communities. The "Consumer Issues Affecting American Indian and Alaska Native Communities Report," submitted to Congress in March 2023, provides details on the consumer issues identified through these efforts, including a summary of some of the law enforcement actions and recent notices of proposed rulemaking relating to consumer abuses identified as impacting American Indian/Alaska Native communities, the Agency's actions to better reach and respond to their needs, In addition, the Agency partnered with organizations, including the Native Learning Center and the National Indian Council on Aging, to provide information on consumer protection issues.
- **Outreach to Protect Americans from COVID-related Fraud:** The FTC used paid radio, print, and digital advertising campaigns to target millions of consumers in communities across the U.S. to warn Americans about pandemic-related scams and to promote a new website aimed at helping people manage the financial impact of the pandemic: ftc.gov/MoneyMatters and ftc.gov/AsuntosDeDinero. In FY23, topics from the site have been featured in six national and targeted radio tours, reaching millions of listeners nationwide. Recognizing the impact of the pandemic on small businesses, the FTC continues to work with the SBA, SBDCs, the BBB, and other groups that serve minority small business owners, all to help business owners in all communities protect their businesses, livelihood, and employees from pandemic-related scams and economic hardship. To date, the agency has held 33 Ethnic and Community Media Briefings, bringing together journalists, state and local law enforcement, legal services, and community advocates to discuss scams and bad business practices affecting communities of color, immigrant communities, Tribal communities, and English language learners. The agency also engaged in a paid advertising campaign for radio, print, and digital media outlets that primarily reach Native American communities focused on raising awareness about gift card scams and reporting fraud.
- **Outreach to Historically Underserved Audiences:** The FTC continues its commitment to reaching historically underserved audiences to help them locate and use consumer education resources aimed at protecting against scams. This has included offering core FTC resources in 12 languages, in addition to English and Spanish. As of FY 2023, people who call the FTC Call Center are able to report fraud and identity theft in their native language by following prompts to select a specific language. In addition, the Agency continues to reach out to audiences which speak languages other than English through an ongoing ethnic media strategy that includes a series of ethnic and community briefings and roundtables that have connected

ethnic and community media with FTC experts on how fraud impacts communities of color. Topics have included scams and bad business practices in auto buying; job and money-making scams that plague historically underserved audiences; new phishing scam trends, including using text messages and AI; and the ways scammers demand payment. Geographically based roundtables have connected the FTC with local law enforcement, legal services, community advocates, and ethnic media. Audiences reached include rural, immigrant, Black, and Latino communities in Louisville and Tampa; the Hmong, Latino, Black, and immigrant communities in Minneapolis; and Chinese, Korean, South Asian, Pacific Islander, and other Pan-Asian communities in San Francisco. The results have included numerous, in-language articles and radio spots in local and ethnic media, reaching not only those targeted communities via trusted sources, but also carrying the messages into less-reached rural communities, sharing practical and actionable advice, and encouraging reporting to the FTC.

- **INFORM Consumers Act:** Congress passed the Integrity, Notification, and Fairness in Online Retail Marketplaces for Consumers Act, or the INFORM Consumers Act, to add more transparency to online transactions and to deter criminals from acquiring stolen, counterfeit, or unsafe items and selling them through online marketplaces. The FTC sent letters to 50 online marketplaces nationwide notifying them about their obligations to comply with the new INFORM Consumers Act. The FTC also developed business education materials that are available on the agency's website to summarize how online marketplaces can comply with the act, along with links to the act itself. Violations of the act may be treated as a violation of an FTC rule, and thus noncompliant online marketplaces may face enforcement that could result in civil penalties of $50,120 per violation.
- **Stealth Social Media Advertising to Children:** The FTC hosted a virtual event on "Protecting Kids from Stealth Advertising in Digital Media," Bringing together researchers, child development and legal experts, consumer advocates, and industry professionals to examine the techniques being used to advertise to children online and what measures should be implemented to protect children from manipulative advertising. The FTC also issued a staff paper "Protecting Kids from Stealth Advertising in Digital Media." The paper recommends that businesses, social media influencers and others who market or promote products online to children should avoid blurring advertising by clearly separating advertising and entertainment, educational, and other content to help limit potential harms to children. It warns that for younger children in particular, disclosures are unlikely to be effective.
- **PrivacyCon:** The FTC hosted its annual PrivacyCon event virtually, bringing together a diverse group of stakeholders, including researchers, academics, industry representatives, consumer advocates, and government regulators, to discuss the latest research and trends related to consumer privacy and data security. The seventh annual PrivacyCon featured presentations on commercial surveillance, automated decision making, and a range of other privacy and data security topics.

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; Chief Technology Officer, Office of Technology

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 and the Office of Technology, 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 for reporting fraud, scams, and bad business practices, or through a toll-free helpline (1-877-FTC- HELP)
- IdentityTheft.gov for reporting identity theft, or through an identity theft hotline (1-877-ID-THEFT)
- 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 nearly 3000 law enforcement users worldwide with access to millions of 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 and adverse court rulings on them, such as the *AMG Capital Mgmt., LLC v. FTC* Supreme Court case, may limit the FTC's enforcement authority or ability to obtain effective relief for consumers.
  - In addition, recent court rulings have made it even more time consuming and resource intensive for the Commission to use its administrative process to obtain refunds for harmed consumers in consumer protection cases.

FY 2024 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.
- Continue to 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 amount of money returned to consumers and the U.S. Treasury continues to be reduced due to the Supreme Court's 2021 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.

FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
$971.1 million	$5.65 billion	$562.1 million	$639.8 million	$616.8 million	$65.0 million	Exceeded	$65.0 million	$65.0 million

Note: In previous annual performance reports, the yearly results for this metric were reported as a three-year rolling average (average of the current year and two prior year totals). Starting this year, we will be reporting single year results for each fiscal year. This change also applies to Metric 1.1.2.

Note: For comparative purposes, prior fiscal year results have been updated to reflect the new single year reporting methodology as follows. The result for FY19 has changed from $3.52 billion, reported previously, to $971.1 million. The result for FY20 has changed from $2.79 billion, reported previously, to $5.65 billion. The result for FY21 has changed from $2.39 billion, reported previously, to $562.1 million. The result for FY22 has changed from $2.28 billion, reported previously, to $639.8 million. All of these changes are as a result of removing the three-year rolling average that was previously used.

Note: In the FY 2023 Agency Financial Report, the FY 2023 Actual for Metric 1.1.1 was reported as $342.1 million. Since publication of that result, a mistake was found in the data. The civil penalty amount for the Epic case was incorrectly listed as $275 thousand instead of $275 million. The result shown here ($616.8 million) is the corrected result.

FY 2023 Highlights: In FY 2023, the FTC returned $99.1 million to consumers and forwarded $331.5 million to the U.S. Treasury. The FTC returned money to more than 1.3 million consumers in dozens of cases, including *Napleton Automotive, Warrior Trading, Passport Auto, Arete Financial, and American Financial Benefits Center (Ameritech)*. The money returned to the U.S. Treasury included civil penalties obtained in settlements with Epic, Microsoft, and Amazon.com. In addition, some FTC orders required defendants to self-administer refund programs worth more than $186.3 million in refunds to consumers, including the *MoneyGram, Equifax*, and *Western Union* cases.

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

This metric tracks the return on investment 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 of consumer savings continues to be reduced due to the Supreme Court's 2021 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.

FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
$13.00 in consumer savings per $1 spent	$12.70 in consumer savings per $1 spent	$12.90 in consumer savings per $1 spent	$9.40 in consumer savings per $1 spent	$7.10 in consumer savings per $1 spent	$7.00 in consumer savings per $1 spent	Exceeded	$5.00 in consumer savings per $1 spent	$5.00 in consumer savings per $1 spent

Note: In previous annual performance reports, the yearly results for this metric were reported as a three-year rolling average (average of the current year and two prior year totals). Starting this year, we will be reporting single year results for each fiscal year. This change also applies to Metric 1.1.1.

Note: For comparative purposes, prior fiscal year results have been updated to reflect the new single year reporting methodology as follows. The result for FY19 has changed from $39.40 per $1 spent, reported previously, to $13.00 per $1 spent. The result for FY20 has changed from $14.80 per $1 spent, reported previously, to $12.70 per $1 spent. The result for FY21 has changed from $12.80 per $1 spent, reported previously, to $12.90 per $1 spent. The result for FY22 has changed from $11.60 per $1 spent, reported previously, to $9.40 per $1 spent. All of these changes are as a result of removing the three-year rolling average that was previously used.

FY 2023 Highlights: In FY 2023, the agency saved consumers on average over 7.1 times the amount of resources devoted to the consumer protection program. In FY 2023, the estimate of consumer harm prevented was $569 million. Settlements obtained in the *Nudge, Epic Games*, and *Fleetcor Technologies* cases comprised a significant portion of this amount.

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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
N/A	N/A	N/A	25.5%	48.1%	20.0%	Exceeded	20.0%	20.0%

FY 2023 Highlights: In FY 2023, 26 of 54 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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
N/A	N/A	N/A	72.3%	74.1%	65.0%	Exceeded	65.0%	65.0%

FY 2023 Highlights: In FY 2023, 40 of 54 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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
N/A	N/A	N/A	39.2%	47.7%	35.0%	Exceeded	35.0%	35.0%

FY 2023 Highlights: In FY 2023, 31 of 65 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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
87.8%	90.5%	85.2%	93.9%	97.7%	80.0%	Exceeded	80.0%	80.0%

FY 2023 Highlights: In FY 2023, 42 of 43 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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
84.0	84.0	84.0	84.0	85.0	Average government satisfaction rate (72.1)	Exceeded	Average government satisfaction rate	Average government satisfaction rate

FY 2023 Highlights: The FTC's Consumer Response Center call center continues to perform above the private and public industry benchmarks.

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.

(a) Mobile

(b) Desktop

FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
(a) N/A (b) 81.2	(a) 83.3 (b) 82.0	(a) 83.5 (b) 83.2	(a) 81.7 (b) 80.8	(a) 81.8 (b) 80.9	Average government satisfaction rate (a) 72.1 (b) 69.7	(a) Exceeded (b) Exceeded	Average government satisfaction rate	Average government satisfaction rate

Note: In previous annual performance reports, we reported a single combined desktop/mobile score for this metric. Starting this year, we have decided to separately report our (a) mobile and (b) desktop scores.

FY 2023 Highlights: The FTC's Consumer Response Center website continues to perform above the private and public industry benchmarks.

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

The agency uses the Consumer Sentinel Network (CSN) as a repository for millions of consumer complaints from a variety of sources, including direct consumer reports to the FTC and complaints received by the FTC's partners. CSN provides law enforcement members with access to millions of consumer complaints.

FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual
8.5 million	8.3 million	11.0 million	8.0 million	7.8 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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual
91.7%	93.1%	100%	85.2%	100%

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 deceptive or 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 holds open Commission meetings to allow the public to gain insight into the work and priorities of the agency. Establishing a regular public forum allows for the development of a robust participatory process that includes the consumers, workers, and honest business owners the FTC has a legislative mandate to protect.

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 2024 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.
- Review and apply guidance from OMB M-23-22 to deliver digital-first experiences on FTC 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 deceptive or 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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
(b) 77.7	(b) 76.2	(b) 72.9	(a) 73.5 (b) 73.4	(a) 73.4 (b) 74.9	Average government satisfaction rate (a) 72.1 (b) 69.7	(a) Exceeded (b) Exceeded	Average government satisfaction rate	Average government satisfaction rate

FY 2023 Highlights: The FTC's consumer education websites performed above the average citizen satisfaction score for participating federal government websites. The Division of Consumer and Business Education websites offer timely and relevant content that answers users' questions and helps them complete their desired task, like learn if something is a scam and how to report it. Desktop satisfaction for consumer education websites exceeded the federal government benchmark by more than five points.

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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
(b) 76.7	(a) 74.6 (b) 74.7	(a) 73.5 (b) 70.9	(a) 70.5 (b) 69.1	(a) 70.02 (b) 64.7	(a) 70.70 (b) 69.26	(a) Not Met (b) Not Met	Average government satisfaction rate	Average government satisfaction rate

FY 2023 Highlights: The new FTC.gov websites launched in March 2022 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. Overall satisfaction rates are increasing as the OPA Web and Digital Strategy team continues to review website analytics and customer experience data to determine the best ways users can find and execute important tasks on FTC.gov.

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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
N/A	N/A	N/A	316	603	300	Exceeded	300	300

FY 2023 Highlights: In FY 2023, the FTC participated in more than 600 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, in English and Spanish, 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. The metric counts the number of unique page views of FTC consumer education articles, blog posts, and other materials on FTC websites, as well as the unique page views of FTC business education plain-language guidance articles, blog posts, and other materials.

FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
N/A	N/A	N/A	39.1 million	37.3 million	35.0 million	Exceeded	35.0 million	35.0 million

FY 2023 Highlights: DCBE consumer and business websites exceeded the target of 35 million unique pageviews in FY 2023. DCBE consumer and business websites draw visitors from a variety of sources. The sites are optimized to attract visitors searching for specific information. Many external websites link to DCBE consumer and business education websites. DCBE actively promotes new consumer and business blog posts through email marketing and the FTC's Office of Public Affairs regularly distributes them the FTC's social media channels.

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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual
11	23	13	12	11

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 develop and strengthen other types of 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 international 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.
- **Resource Constraints**
  - Some foreign counterparts may not have the resources to cooperate with the FTC or may operate with reduced goals or priorities that do not align fully with those of the FTC.
  - The International Fellows Program may be hampered if travel is restricted due to resource or other limitations.

FY 2024 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.

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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
453	551	505	541	292	375	Not Met	375	375

FY 2023 Highlights: Although the FTC shared evidence in 292 investigations or cases, the FTC fell short in meeting its target for performance goal 1.3.1. BCP continues to place an emphasis on leveraging resources with domestic partners and encourages staff to work with other U.S. federal, state, and local government agencies to further to goal of protecting consumers from fraud. In FY 2023, BCP shared information with other U.S. federal, state, and local government agencies in 160 investigations or cases. In FY 2023, BCP received information from other U.S. federal, state, and local government agencies in 132 investigations or cases. The FY 2023 results do not include more than 180 actions resulting from a new crackdown on illegal telemarketing calls, a joint initiative between the FTC and more than 100 federal and state law enforcement partners nationwide, including the attorneys general from all 50 states and the District of Columbia. Effective FY 2024, we will revise our calculation for this measure to include law enforcement sweeps.

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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
48	42	39	32	23	20	Exceeded	26	26

FY 2023 Highlights: In FY 2023, the FTC cooperated in 23 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. The lingering effects of the global pandemic, as expected, continue to adversely impact our cross-border cooperation. It remains to be seen how quickly our enforcement cooperation numbers return to pre-pandemic levels.

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; Director, Office of Workplace Inclusivity and Opportunity

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, persons adversely affected by persistent poverty or inequality, and persons who primarily speak languages other than English. 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 on historically underserved communities, including in the use of emerging technologies, such as algorithmic bias or scams using AI-powered technology. 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 demonstrate 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 received information directly from the FTC, through established outreach strategies that include in-language resources, 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 as well as the ability to increase contract support for translation services.

FY 2024 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 continuing to develop strategies to ensure that enforcement actions address deceptive or unfair practices conducted in languages other than English. As it develops, use this new ability to take reports in-language as an input.
- Review the focus and performance of FTC education efforts to reach historically underserved communities in culturally and language-appropriate ways, using new in-language reports to the Call Center as an input; determine whether the agency needs to reach new audiences on new topics in multiple languages, in light of changes in demographics, emerging digital 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 or 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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
N/A	N/A	N/A	23.4%	20.4%	20.0%	Met	20.0%	20.0%

FY 2023 Highlights: In FY 2023, 20.4 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, false endorsement claims, deceptive financing providers, deceptive claims about student loan debt relief, bogus money-making opportunities, and dark patterns.

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.

(a) % based on total # of redress cases
(b) % based on aggregate dollars distributed

FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
N/A	N/A	N/A	(a) 35.1%	(a) 26.0% (b) 34.7%	30.0% met by either (a) or (b)	Met	30.0% met by either (a) or (b)	30.0% met by either (a) or (b)

Note: The agency continues to refine our newer metrics, including those included here in Objective 1.4. New this year, we have included two ways to calculate the percentage of redress payments for this metric.

FY 2023 Highlights: In FY 2023, 34.7 percent of redress payments, based on aggregate dollars distributed, were made to people who are likely to be members of historically underserved communities. Within the 34.7 percent, 15.6 percent of the dollars distributed went to people who are likely to be Black Americans, 14.7 percent to people who are likely to be Latino Americans, 4.0 percent to people who are likely to be Asian Americans/ Pacific Islanders, and 0.5 percent to people who are likely to be Indigenous/Native American persons.

In FY 2023, 26.0 percent of redress payments, based on the total number of redress cases, were made to people who are likely to be members of historically underserved communities. Within the 26.0 percent, 11.4 percent of the payments went to people who are likely to be Black Americans, 10.9 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 0.5 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 *Career Education Corporation, Ameritech, Arete Financial, Passport Auto, Napleton Auto, Herbalife*, and *University of Phoenix*. In FY 2023, these redress programs resulted in nearly $18 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, including in languages other than English, hear about the consumer issues they experience, and help staff develop specific education messages and resources.

FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
N/A	N/A	N/A	179	308	165	Exceeded	165	165

FY 2023 Highlights: In FY 2023, the FTC participated in more than 300 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, immigrants, Native American tribal leaders, and other diverse and hard to reach communities. The FTC also shared information at a wide range of virtual outreach events, including those attended by community-based organizations serving Latino communities across the country, low income and rural communities, Senior Medicare Patrol volunteers, and ethnic media reporters, among others. In addition, the FTC worked extensively with ethnic media outlets to spread the word about the scams affecting those communities: placing print and radio ads in multiple languages; holding roundtables and briefings; doing dozens of interviews for outlets; and conducting radio media tours for a wide range of stations.

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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual
N/A	N/A	N/A	10	3

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 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2024 Target	FY 2025 Target
Objective 2.1						
Metric 2.1.1 Total consumer savings and other measurable benefits generated by antitrust enforcement.	$2.84 billion	$3.19 billion	$3.29 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.	$35.50 in consumer savings per $1 spent	$38.20 in consumer savings per $1 spent	$35.70 in consumer savings per $1 spent	$35.00 in consumer savings per $1 spent	$25.00 in consumer savings per $1 spent	$25.00 in consumer savings per $1 spent
Metric 2.1.3 Percentage of cases and investigations involving collaboration with BCP.	N/A	5.0%	4.2%	Baseline	5.0%	5.0%
Metric 2.1.4 Percentage of antitrust matters seeking significant remedial, precedential, or deterrent effects across the marketplace.	N/A	58%	44%	Baseline	50%	50%
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	38%	27%	Baseline	30%	30%
Objective 2.2						
Metric 2.2.1 Number of reports and studies issued on competition related topics.	8	6	8	7	6	6
Metric 2.2.2 Number of cases for which BE economists prepared to testify as expert witnesses in FTC antitrust enforcement actions.	N/A	5	5	Baseline	3	3
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	TBD	Baseline	TBD	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%	85%	85%	85%

Strategic Goal 2 Metrics	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2024 Target	FY 2025 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	< Poverty Line: $343.1m Hispanic: $476.4m Other Underserved Communities: $358.1m	< Poverty Line: $89.0m Hispanic: $123.2m Other Underserved Communities: $93.5m	Baseline	N/A	N/A
Metric 2.4.2 Percentage of populations impacted by actions taken to maintain competition who belong to historically underserved communities.	N/A	< Poverty Line: 11.8% Hispanic: 15.7% Other Underserved Communities: 11.8%	< Poverty Line: 14.3% Hispanic: 25.0% Other Underserved Communities: 12.9%	Baseline	N/A	N/A
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	25%	21%	Baseline	N/A	N/A

Promoting Fair Competition: Highlights of FY 2023 Accomplishments

The FTC enforces America's antitrust laws to promote open, competitive markets, which benefit American consumers, workers, innovators, and honest businesses. The Commission's enforcement efforts encompass critically important markets, including healthcare, technology, energy, defense, consumer goods and services, labor, and manufacturing.

In FY 2023, the agency brought 23 enforcement actions under the antitrust laws, initiated federal court or administrative litigation in six matters, and issued consent orders to remedy prospective or ongoing harm to competition in seven matters. In an additional ten matters, the parties abandoned or restructured their proposed acquisitions to address Commission concerns that the original transaction likely would have harmed competition. The FTC also continued to monitor and enforce compliance with existing consent orders, including prior approval provisions, as well as merger and acquisition reporting obligations under the Hart-Scott-Rodino (HSR) Act.

Competition Law Enforcement and Policy Initiatives

Providing Clarity to Market Participants

- **Draft Merger Guidelines:** In July, the FTC and the Department of Justice proposed draft Merger Guidelines, which lay out how U.S. enforcers will assess whether transactions may lessen competition or tend to create a monopoly. Informed by thousands of comments from consumers, workers, academics, attorneys, enforcers, business owners, and many others from across the economy, the draft guidelines capture the tangible effects that mergers have on people's lives. The draft guidelines reflect modern market realities, advances in economics and law, and the experiences of a diverse array of market participants. The Merger Guidelines were finalized and issued in December 2023.
- **Draft Hart-Scott-Rodino Form:** The FTC and the DOJ proposed changes to Hart-Scott-Rodino Form and Instructions, marking the first time in 45 years that the agencies have undertaken a top-to-bottom review of the form. These proposed changes would enable the agencies to more effectively and efficiently screen transactions for potential competition issues within the initial waiting period, which is typically 30 days. The proposed updates would require parties to provide details on relevant corporate relationships, previous acquisitions, the structure of entities involved, and labor practices.
- **Section 5 Unfair Methods of Competition Policy Statement:** The Federal Trade Commission issued a statement that restores the agency's policy of rigorously enforcing the federal ban on unfair methods of competition. The FTC's previous policy restricted Section 5's oversight to a narrower set of circumstances, making it harder for the agency to challenge the full array of anticompetitive behavior in the market. The current statement removes this restriction and declares the agency's intent to exercise its full statutory authority against companies that use unfair tactics to gain an advantage instead of competing on the merits.

Promoting Fair Competition in the Healthcare and Pharmaceutical Industries

- **Pharmaceutical Monopolization:** In January 2023, the FTC asked a federal judge to hold "Pharma Bro" Martin Shkreli in contempt for failing to provide the FTC with information needed to verify his compliance with a 2022 ground-breaking federal order banning him from working in the pharmaceutical industry for life. The order stems from the FTC's federal court litigation where the court held that Shkreli orchestrated an illegal anticompetitive scheme to perpetuate a monopoly for the drug Daraprim, a life-saving drug used in the treatment of a rare, potentially fatal parasitic infection known as toxoplasmosis. Separate from the FTC's request in federal district court to hold Shkreli in contempt, the FTC also urged the United States Court of Appeals for the Second Circuit to reject Shkreli's arguments seeking to overturn his lifetime ban from participating in the pharmaceutical industry. The FTC ultimately prevailed before the Second Circuit, with that court affirming the 2022 order and its lifetime ban.

- **Health Care Information Technology Anti-Competitive Conduct:** In July 2023, the FTC filed a stipulated order to settle charges that health information technology company Surescripts engaged in exclusionary conduct to maintain a monopoly in violation of the antitrust laws. The settlement follows a favorable federal court ruling that found that Surescripts possesses monopoly power in e-prescribing services with a 95 percent "supershare." In adopting the Commission's position, the opinion made important clarifications of the law, including on the establishment of monopoly power through market share and barriers to entry. According to the FTC's April 2019 complaint, Surescripts employed illegal vertical and horizontal restraints in order to maintain its monopoly of the routing and eligibility e-prescribing markets. These markets involve technology used by physicians to route electronic prescriptions and health care providers to electronically determine patient eligibility and insurance coverage, respectively. The order prohibits Surescripts from imposing loyalty or exclusivity requirements on its routing and eligibility customers, including through all-unit discounting, as well as barring the company from using non-compete agreements with employees that would prevent them from working for a competitor.
- **Health Care Advertising Platform Merger:** In July 2023, the FTC issued a complaint seeking to block the world's largest health care data provider, IQVIA Holdings, from acquiring Propel Media, Inc. According to the complaint, the proposed acquisition would give IQVIA a leading position in the market for programmatic advertising for health care products (namely prescription drugs) to doctors and other health care professions and would incentivize IQVIA to withhold key information to discourage entry into the market by potential rival companies. IQVIA and Propel are two of the top three providers of these services, known as demand-side platforms, which specifically target health care professionals with advertising for pharmaceutical drugs and other products. The complaint alleges that the proposed deal would eliminate head-to-head competition between the two firms, driving up prices and reducing quality and choice—potentially harming patients by inhibiting knowledge of new products and affecting the prescribing behavior by health care providers and increasing prices if inflated marketing costs were passed-on to patients. After an evidentiary hearing in late 2023, U.S. District Court Judge Edgardo Ramos issued an order granting the FTC's motion for preliminary injunction on December 29, 2023.
- **Private Equity Serial Acquisitions of Anesthesia Providers:** In September 2023, the Commission filed a complaint in federal court alleging that U.S. Anesthesia Partners, Inc. (USAP), the dominant provider of anesthesia services in Texas, and private equity firm Welsh, Carson, Anderson & Stowe executed a multi-year anticompetitive scheme to consolidate anesthesiology practices in Texas, driving up the prices of anesthesia services for Texas patients to increase profits. According to the complaint, USAP and Welsh Carson engaged in a three-part strategy to consolidate and monopolize the anesthesiology market. First, they executed a roll-up scheme by systematically buying up nearly every large anesthesia practice in Texas to create a single dominant provider with the power to demand higher prices. Second, the firms drove up prices through price-setting agreements with the remaining independent practices. And third, the firms further reduced competition by striking a deal to sideline a significant competitor by keeping it out of USAP's territory. This multiprong anticompetitive strategy has cost Texans an estimated tens of millions of dollars each year. This matter is pending in federal court.
- **Pharmaceutical Merger:** In May 2023, the Commission issued a complaint seeking to block Amgen Inc.'s proposed acquisition of Horizon Therapeutics plc. According to the complaint, the deal would allow Amgen to leverage its portfolio of blockbuster drugs to entrench the monopoly position of Horizon drugs Tepezza and Krystexxa, used in the treatment of thyroid eye disease and chronic refractory gout, respectively. The complaint alleges that Amgen has a history of using rebates on its high-volume drugs through cross-market bundling which may make it impossible for smaller rivals developing competing drugs to compete, discouraging market entry. In September 2023, the FTC reached a proposed consent order with Amgen to address the potential competitive harm from the proposed acquisition. Among other things, the proposed order

prevents Amgen from bundling any of its products with either Tepezza or Krystexxa or from conditioning any product rebate or contract terms on the sale or positioning of either drug.

- **Pharmacy Benefit Managers Section 6 Study:** The FTC ordered the six largest pharmacy benefit managers ("PBMs") to provide information and records regarding their business practices. The study focuses on the impact of vertically integrated PBMs on the access and affordability of prescription drugs. In FY 2023, as part of its ongoing inquiry into PBMs and the FTC issued compulsory orders to three group purchasing organizations ("GPOs") that negotiate drug rebates on behalf of other PBMs.
- **Physician Group and Healthcare Facility Mergers Section 6 Study:** The FTC continues its 6(b) study based on orders issued to six health insurance companies to provide data that will allow the agency to study the effects of physician consolidation and healthcare facility consolidation that occurred from 2015 through 2020.
- **Certificates of Public Advantage Section 6 Study:** The FTC continues its 6(b) study on the effects of certificates of public advantage (COPA) on prices, quality, access, and innovation of healthcare services as well as on the impact of hospital consolidation on employee wages. Partly due to the FTC's COPA policy paper, which was released last fiscal year, the state of Maine repealed its COPA law in April. The FTC has also submitted advocacy letters to state legislatures challenging requests for COPAs, which has led to parties abandoning proposed mergers.

Promoting Fair Competition in Digital Markets

- **Meta Monopolization Case:** The Commission's landmark monopolization case against Facebook (now Meta), which was filed in December 2020, is pending 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. The Commission filed an amended complaint in August 2021 and in January 2022, the judge denied Meta's motion to dismiss.
- **Amazon Monopolization Case:** In September 2023, the FTC, along with 17 state attorneys general, filed a complaint in federal court alleging that online retail and technology company Amazon.com, Inc. is a monopolist that leverages a set of interlocking anticompetitive and unfair strategies to illegally maintain its monopoly power. According to the complaint, Amazon's actions allow it to stop rivals and sellers from lowering prices, degrade quality for shoppers, overcharge sellers, stifle innovation, and prevent rivals from fairly competing. Importantly, the complaint makes clear that Amazon violates the law, not because it is big, but because it engages in exclusionary conduct that stifles the growth of existing competitors and entry by new competitors. The complaint focuses on two sets of anticompetitive tactics employed by the firm. These anticompetitive tactics include anti-discounting measures that punish sellers and deter other online retailers from offering prices lower than Amazon's, and conditioning sellers' ability to obtain "Prime" eligibility for their products on the use of Amazon's costly fulfillment services, thus raising sellers' costs. According to the complaint, these exclusionary tactics make it impossible for competitors to gain a foothold in the online superstore and online marketplace services markets. This matter is pending in federal court.
- **Mortgage Loan Origination Platforms Consent Order:** In March 2023, the FTC issued a complaint seeking to block Intercontinental Exchange, Inc.'s proposed acquisition of Black Knight Inc. The two firms are the nation's two largest providers of home mortgage loan origination systems (LOS) and product pricing and eligibility engines (PPE). The Commission alleged that the deal would drive up costs, reduce innovation, and reduce lenders' choices. LOS are software used to manage the documents and workflow required to generate a mortgage. PPEs are systems used by lenders to obtain the best interest rates for prospective homebuyers. ICE's Encompass LOS competes head-to-head with Black Knight's Empower platforms, and

the firms also compete for the sale of a host of related services, including PPEs. The proposed deal would eliminate the vital competition and with it, and likely eliminate the discounts and price concessions the two companies use to win or protect business from each other, to the detriment of lenders and homebuyers. In August 2023, the Commission approved a consent order resolving its competitive concerns by requiring Black Knight's divestiture of Empower and Optimal Blue, two businesses that provide critical services in the mortgage origination process, along with other terms designed to ensure the success of the divested businesses.

- **Cloud Computing Request for Information:** The FTC issued a Request for Information (RFI) seeking information on the business practices of cloud computing providers, including issues related to the market power of these companies, impact on competition, and potential security risks. The FTC also hosted a virtual panel discussion with a diverse set of experts to discuss the business practices of cloud computing providers including issues related to security, competition, and emerging technology issues associated with cloud computing.

Promoting Fair Competition in Agriculture Markets

- **Pesticide Anti-competitive Conduct Case:** The Commission continued to devote resources to its ongoing litigation alleging leading pesticide manufacturers Syngenta Crop Protection and Corteva blocked competitors from selling cheaper generic products to farmers. According to the complaint, the two pesticide manufacturers leveraged so-called "loyalty programs" in which distributors receive payments in exchange for limiting business with competing manufacturers, allowing the firms to inflate their prices, and forcing American farmers to spend millions of dollars more for these critical products. The complaint seeks to end these harmful practices. In 2024, U.S. District Court Judge Thomas D. Schroeder denied Defendants' Motion to Dismiss and this matter is pending.
- **Retail Farm Stores Consent Order:** In October 2022, the FTC issued a consent order to remedy concerns related to Tractor Supply Company's acquisition of rival chain Orscheln Farm and Home LLC. Farm stores offer customers a broad assortment of products to meet their farming, ranching, or other rural lifestyle needs, including animal feed, supplies for the care of horses, livestock, and pets, fencing, and lawn and garden supplies, among other products. The consent order requires Tractor Supply to divest several stores and requires the receipt of prior approval before acquiring any other farm stores within 60 miles of any divested location. The order also establishes prior approval provisions for the two divestiture buyers for a period of three years.

Promoting Fair Competition in Energy Markets

- **Natural Gas:** In August 2023, the FTC issued a consent order to resolve antitrust concerns stemming from a $5.2 billion deal between private equity firm Quantum Energy Partners and natural gas producer EQT Corporation. According to the complaint, Quantum and EQT are direct competitors in the production and sale of natural gas in the Appalachian Basin, the largest natural gas-producing region in the United States; the proposed deal would have made Quantum one of EQT's largest shareholders and given Quantum (an active investor in natural gas in the region) a seat on EQT's board of directors in violation of the antitrust laws. The FTC's order enacted ground-breaking structural relief, prohibiting Quantum from occupying the EQT board seat, requiring Quantum to divest its EQT shares, prohibiting information exchange, and unwinding a separate joint venture between the two entities, among other provisions – marking the first case in 40 years enforcing Section 8 of the Clayton Act, which prohibits interlocking directorates.

Promoting Fair Competition in Consumer Goods and Services

- **Video Games:** In December 2022, the FTC issued a complaint seeking to block Microsoft Corp. from acquiring video game developer Activision Blizzard, the largest proposed merger ever in the video game industry. The FTC alleged that the deal would enable Microsoft to suppress competitors to its Xbox gaming consoles and its subscription content (Xbox Game Pass) and cutting-edge cloud-gaming business. According to the complaint, Microsoft has a record of acquiring valuable gaming content and withholding that content from rival consoles. Activision is one of only a very small number of top video game developers in the world that create and publish high-quality video games available for multiple devices. In July 2023, following a week-long preliminary injunction hearing, the federal court for the Northern District of California denied the FTC's request to temporarily enjoin the proposed transaction. This matter is pending on appeal in federal court.

- **Debit Card Payment Networks:** In December 2022, the FTC issued a consent order ending the illegal business tactics Mastercard employed to force merchants to route debit card payments through its payment network and requiring Mastercard to stop blocking the use of competing debit payment networks. Debit card payment networks are used by more than 80 percent of American adults and process $4 trillion in purchases each year and are continuing to grow via new payment media such as Apple Pay, Google Pay, and Samsung Wallet. These networks transmit payment information between points-of-sale and banking institutions, transferring approvals or denials back to the merchant. Networks compete for the business of banks that issue debit cards and for the business of merchants who accept debit card payments. The payment networks charge processing fees for this transfer which are predominantly paid by the merchant. In 2010, in an effort to increase competition among these networks, Congress enacted the Durbin Amendment to the Dodd-Frank Act, which requires banks to enable at least two unaffiliated networks on every debit card, giving merchants a choice in which network to use for each transaction, and bars payment networks from restricting the use of other networks. According to the complaint, Mastercard set policies that blocked merchants from routing ecommerce transactions using Mastercard-branded debit cards saved in e-wallets to alternative payment networks. The Commission approved a final order in this matter in May 2023.
- **Supply Chain Disruptions Section 6 Study:** The FTC continues its study of the causes behind supply chain disruptions, and three large retailers, three wholesalers, and three consumer good suppliers have been ordered to provide detailed information.

Promoting Fair Competition in Labor Markets

- **Noncompete Rulemaking:** The FTC released a proposed rule to ban the use of noncompete agreements in employment practices, which binds about one in five American workers, approximately 30 million people. Empirical evidence shows that noncompetes suppress workers' wages, deprive workers of different or better employment opportunities, stifle innovation, and block entrepreneurs from starting new businesses. The FTC estimates that the proposed rule would raise all workers' wages by up to $300 billion a year, save consumers up to $148 billion annually on healthcare costs, and double the number of companies founded by a former worker in the same industry. In response to the proposed rulemaking, the Commission received tens of thousands of public comments from workers, employers, and business owners across a broad range of income levels and sectors in the economy.
- **Noncompete Enforcement:** The Commission issued three orders to Ardagh Group, O-I Glass, Inc. and Anchor Glass Container Corporation, and a fourth to security services firm Prudential Security Services and Prudential Command and their owners, that forced each firm to drop noncompete restrictions in their employment contracts. According to the complaints, the companies illegally imposed noncompete restrictions on workers in positions ranging from manufacturing to engineering or security guard services that barred them from seeking or accepting work with another employer or operating a competing business after leaving the companies.
- **Partnership with NLRB:** The Commission joined with the National Labor Relations Board (NLRB) in a new inter-agency agreement aimed at bolstering the agency's efforts to protect workers and promote competitive U.S. labor markets. The agreement enables the FTC and NLRB to share information, conduct cross-training, and partner in investigative efforts within each agency's respective legal authorities. The areas of

mutual interest outlined in the agreement include the extent and impact of labor market concentration, labor market developments in the 'gig economy,' and the impact of algorithmic decision-making on workers, among other areas.

- **Partnership with DOL:** The Commission and the U.S. Department of Labor signed a new agreement that will bolster the FTC's efforts to protect workers by protecting labor market competition and putting an end to unfair, deceptive practices that harm workers. The new memorandum of understanding (MOU) between the two agencies outlines ways in which the FTC and DOL will work together on key issues such as labor market concentration, one-sided contract terms, and labor developments in the "gig economy."

Competition Law Enforcement Collaboration and Advocacy

- **Collaboration with State Attorneys General:** During FY 2023, the FTC strengthened collaboration with key state attorneys general. The FTC and a bipartisan coalition of 10 state attorneys general continued its ongoing litigation against pesticide manufacturers Syngenta and Corteva for blocking competitors from selling cheaper generic products to farmers, inflating prices and forcing farmers to spend millions of dollars more for their products. The FTC also joined with 17 state attorneys general in a lawsuit alleging that Amazon illegally maintained its monopoly power and raised prices for sellers and shoppers. In addition, the FTC has collaborated closely with state enforcers in protecting competition in local markets, including cooperating with 6 states on a consent order to address the potential competitive harm that would have otherwise resulted from Amgen Inc.'s acquisition of Horizon Therapeutics plc.
- **Advocacy in State Legislatures:** In addition to the 6(b) Certificate of Public Advantage (COPA) study discussed above, the FTC submitted a comment to North Carolina House Health Committee members and staff opposing North Carolina Senate Bill 743, which would attempt to prevent antitrust authorities from challenging the University of North Carolina Health Care System for engaging in anticompetitive mergers and conduct. In a letter to the New York State Department of Health, FTC staff opposed a request by SUNY Upstate Medical University and Crouse Health System to grant a COPA. The parties in that transaction ultimately abandoned the transaction, protecting access to life-saving healthcare for patients in upstate New York.
- **Convening Competition Enforcement Partners:** The FTC and the DOJ Antitrust Division hosted the second annual Enforcers Summit, bringing together state, federal, and international enforcement partners to discuss competition law enforcement and share insights on today's market realities. The Enforcers Summit included both publicly streamed plenary sessions as well as closed-door, in-person breakout sessions, designed to share feedback, evidence, and ideas.
- **Advocacy in the Courts:** In FY 2023, the FTC filed five competition amicus briefs in federal court.
  - The Commission submitted an amicus brief in A*pplied Medical Resources Corp. v. Medtronic*, to clarify the legal standards that apply in antitrust cases involving exclusive-dealing and bundling arrangements, both of which can harm competition.
  - The Commission submitted a second amicus brief in *In re Bystolic Antitrust Litigation* urging the Second Circuit reverse the district court's decision dismissing the private plaintiffs' reverse-payment complaints for failure to state a claim and to clarify the appropriate standards for pleading that a reverse payment is unjustified, arguing that the complaints met those standards.
  - The Commission submitted a third amicus brief in S*age Chemical, Inc. et al. v. Supernus Pharmaceuticals, Inc., et al*. The brief explains: (1) the potential harm to competition and consumers posed by a brand's exclusion of generic competition from the market; (2) that a competitor's marketing of an FDA-approved generic pharmaceutical product intended to work with the branded product

is not improper free-riding under the antitrust laws; (3) that exclusive agreements can substantially foreclose competition from the market by barring a potential competitor's access to a key input even if that competitor could theoretically develop its own alternative to that input; and (4) that single-brand or single-manufacturer markets are appropriate and not legally deficient when there are no adequate substitutes.

- The Commission submitted a fourth amicus brief in *Deslandes v. McDonald's*. The FTC joined with the Department of Justice to argue that "no-hire" provisions in franchise agreements can be horizontal in nature and that such agreements are per se unlawful unless the defendants establish that they are ancillary to the franchise agreement, which requires a showing that they are reasonably necessary to achieve a procompetitive objective. It also argues that the Supreme Court's recent decision in NCAA v. Alston did not change the standards for determining whether a horizontal restraint is per se illegal or subject to quick-look condemnation.
- The Commission filed a fifth amicus brief in J*azz Pharmaceuticals v. Avadel CNS Pharmaceuticals*. The brief highlights the significant harm to consumers when a brand company improperly lists a patent on a distribution system in the Food and Drug Administration's "Orange Book" and thereby blocks generic or follow-on competition. The FTC's amicus brief explains how the Orange Book listing process can be abused and emphasizes the harm to competition and consumers that can result from that abuse, including depriving consumers of potential price competition and the ability to choose between products.

- **Providing Expertise Internationally:** In February 2023, the FTC and the Antitrust Division hosted a workshop on competition advocacy for the Competition and Policy Law Group at the Asian and Pacific Economic Cooperation (APEC) Senior Officials Meeting. This workshop built on APEC 2023 priorities, which include promoting competitive markets throughout the Asia-Pacific region and fostering cooperation across APEC's 21 economies. The FTC is also working with key partners 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, 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, including the Canadian Competition Bureau and the New Zealand Commerce Commission.

Competition Research, Outreach, and Public Education

- **Open Commission Meetings:** The FTC held eight Open Commission Meetings in FY 2023 to allow the public to engage directly with the Commission and to open up agency work to the public. These meetings give members of the public the opportunity to address the Commission and share their firsthand experiences, and open up Commission deliberation on key agency priorities to the public—including how the Commission is challenging improperly listed patents that raise prices for critical medical devices such as inhalers and epi-pens, and the business practices of cloud computing providers on which business and entrepreneurs can be dependent. More than 150 members of the public, from small business owners to independent pharmacists to grocery workers, shared firsthand accounts of challenges they are seeing in the marketplace through these meetings in FY 2023, opening up the Commission's work to thousands of views across the country.
- **Workshops:** In FY 2023, the Bureau of Economics hosted its Fifteenth Annual Microeconomics Conference. The workshop brought together scholars working in areas related to the FTC's antitrust, consumer protection, and public policy missions. The FTC also hosted a public forum examining the FTC's proposed rule to ban noncompete clauses. In partnership with the DOJ, the FTC hosted a workshop with former enforcers, academics, economists, and practitioners to discuss the 2023 Draft Merger Guidelines.

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

Goal Leaders: Director, Bureau of Competition; Director, Bureau of Economics; Chief Technology Officer, Office of Technology

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, with support from the Bureau of Economics and the Office of Technology, 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. Leverage revised HSR form and Merger Guidelines to implement Congressional requirements and to more effectively and efficiently screen transactions subject to premerger notification.
- **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 typically provides the agencies with a 30-day window to determine whether a deal warrants close investigation and then typically 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 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 2024 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.
- Continue to pursue updates to 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 acting 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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
$4.87 billion	$2.68 billion	$2.84 billion	$3.19 billion	$3.29 billion	$2.4 billion	Exceeded	$2.4 billion	$2.4 billion

Note: The result for FY21 has changed from $2.77 billion, reported previously, to $2.84 billion. The result for FY22 has changed from $3.12 billion, reported previously, to $3.19 billion. The result for FY23 has changed from $3.14 billion, reported in the FY23 Agency Financial Report, to $3.29 billion. In each instance, cases from those years were discovered that were missing from the results.

FY 2023 Highlights: The FTC concluded 19 full-phase investigations with actions in FY 2023, including 13 merger matters and six conduct matters. Three of the concluded matters involved successful federal court litigation or administrative adjudication, while seven were concluded with a settlement, and nine 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 tracks the return on investment of the FTC's antitrust enforcement spending. We compare the estimated consumer savings and other measurable benefits that the Commission saved consumers by acting against potentially anticompetitive mergers and business conduct to the amount spent on the merger and nonmerger programs. The amount reported is a five-year "rolling average" (average of the current year and four prior year totals).

FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
$66.00 in consumer savings per $1 spent	$34.40 in consumer savings per $1 spent	$35.50 in consumer savings per $1 spent	$38.20 in consumer savings per $1 spent	$35.70 in consumer savings per $1 spent	$35.00 in consumer savings per $1 spent	Exceeded	$25.00 in consumer savings per $1 spent	$25.00 in consumer savings per $1 spent

Note: The result for FY21 has changed from $34.70 per $1 spent, reported previously, to $35.50 per $1 spent. The result for FY22 has changed from $37.30 per $1 spent, reported previously, to $38.20 per $1 spent. The result for FY23 has changed from $34.10 per $1 spent, reported in the FY23 Agency Financial Report, to $35.70 per $1 spent. In each instance, cases from those years were discovered that were missing from the results.

FY 2023 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 nearly an estimated $36 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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
N/A	N/A	N/A	5.0%	4.2%	Baseline	N/A	5.0%	5.0%

FY 2023 Highlights: The Commission is increasingly streamlining the investigative process and identifying 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 two years that the agency has tracked this endeavor, the Bureau of Competition and Bureau of Consumer Protection collaborated substantively in between 4 percent and 5 percent of the full-phase matters concluded during each fiscal year. The Commission will continue to track this important information-sharing initiative and will strive to pursue collaboration wherever appropriate.

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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
N/A	N/A	N/A	58%	44%	Baseline	N/A	50%	50%

FY 2023 Highlights: Increasingly, the Commission is adapting its investigative and litigation strategies to clarify antitrust law and ensure our approach 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 2023, the Commission concluded 48 full-phase antitrust matters. Of those concluded matters, 21 sought or achieved significant remedial, precedential, or deterrent effects, including litigation challenges pleading unique theories of harm and taking broad action against harmful non-compete clauses in multiple industries.

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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
N/A	N/A	N/A	38%	27%	Baseline	N/A	30%	30%

FY 2023 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 48 full-phase matters concluded in FY 2023, six matters progressed to litigation, including three litigated victories, and one unsuccessful challenge that nonetheless clarified key elements of antitrust jurisprudence, paving the way for future litigation efforts. In nine 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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual
$193.2 billion	$81.3 billion	$79.2 billion	$54.1 billion	$54.6 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; Chief Technology Officer, Office of Technology; Director, Office of Policy Planning; General Counsel, Office of the General Counsel

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. Open Commission meetings allow the public to gain insight into the work and priorities of the agency.

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 with the goal of ensuring consumers understand what companies did wrong and what the FTC is doing to stop them, and to publicize clear rules to give guidance to businesses in the marketplace. 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 volume and complexity of litigation, may reduce resources available to provide reports, studies, workshops, and conferences.

FY 2024 Next Steps and Future Actions to Meet Strategic Objective

- 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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
4	7	8	6	8	7	Exceeded	6	6

FY 2023 Highlights: The Commission issued eight reports, studies, or policy statements in FY 2023, including two annual reports, a report on the competitive marketplace for biosimilars, and three policy statements, including the draft FTC-DOJ Merger Guidelines.

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 who are supporting that expert.

FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
N/A	N/A	N/A	5	5	Baseline	N/A	3	3

Metric 2.2.3: Percentage of competition advocacy matters filed 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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
N/A	N/A	N/A	N/A	N/A	Baseline	N/A	TBD	TBD

FY 2023 Highlights: Data for this metric is often delayed and was not yet available for FY 2023 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 cooperation on cases, in a practice long welcomed by the business community, 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.

Lawful cooperation with foreign competition agencies of other jurisdictions is one element 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 practices. 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.
- **Cooperate internationally:** Work with international government and non-government partners to promote international cooperation and policy consistency aimed at sound and effective antitrust enforcement. Lawful cooperation with foreign competition agencies on antitrust matters that are subject to concurrent review improves the effectiveness of investigations and promotes efficiency that benefits both agencies and businesses. 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 consistency is a long-term endeavor that can be affected by events beyond the agency's control, such as foreign court proceedings and political or legislative changes affecting a foreign counterpart agency's policies or priorities. International technical assistance would be hampered if external resources are not available, U.S. embassies abroad are not supportive, or if foreign governments are unwilling to accept U.S. assistance.

FY 2024 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 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; serving as ICN Vice Chair for digital market issues; and creating and leading ICN's forum for agency technologists and digital work. 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.
- Continue 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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
100%	100%	100%	100%	100%	85%	Exceeded	85%	85%

FY 2023 Highlights: In FY 2023, the FTC cooperated on 27 enforcement matters. FTC staff engaged in substantive case cooperation with 19 agencies, including those of Australia, Brazil, Canada, the European Union, Israel, Japan, Singapore, 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 percent success, the target reflects the possibility of inconsistent outcomes as each reviewing agency independently assesses the transaction or conduct in accordance with the laws and competitive realities in its jurisdiction.

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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual
31.8%	22.2%	52.0%	60.0%	47.0%

FY 2023 Highlights: In FY 2023, the Commission engaged in information sharing and collaboration in 9 of the nineteen substantial investigations concluded with action, demonstrating a continued commitment to working with state and other enforcement partners in furtherance of the competition mission.

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; Director, Office of Workplace Inclusivity and Opportunity

The FTC strives to ensure that all members of the public benefit from competition in the marketplace, including members of historically underserved communities. 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 unique challenges these communities experience.

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 that 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 volume and complexity 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 2024 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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
N/A	N/A	N/A	< Poverty Line: $343.1m Hispanic: $476.4m Other Underserved Communities: $358.1m	< Poverty Line: $89.0m Hispanic: $123.2m Other Underserved Communities: $93.5m	N/A	N/A	N/A	N/A

Note: As explained in the FTC Strategic Plan, the agency is not currently setting targets for the metrics in Objective 2.4.

FY 2023 Highlights: The Commission's enforcement actions to stop anticompetitive conduct and mergers saved historically 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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
N/A	N/A	N/A	< Poverty Line: 11.8% Hispanic: 15.7% Other Underserved Communities: 11.8%	< Poverty Line: 14.3% Hispanic: 25.0% Other Underserved Communities: 12.9%	N/A	N/A	N/A	N/A

Note: As explained in the FTC Strategic Plan, the agency is not currently setting targets for the metrics in Objective 2.4.

FY 2023 Highlights: 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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
N/A	N/A	N/A	25%	21%	N/A	N/A	N/A	N/A

Note: As explained in the FTC Strategic Plan, the agency is not currently setting targets for the metrics in Objective 2.4.

FY 2023 Highlights: This metric recognizes that harm to underserved communities, while challenging to quantify, is cognizable and significant. In FY 2023, staff identified a likely adverse impact on one or more historically underserved communities in four of the 19 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 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 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2024 Target	FY 2025 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.	94.5%	90.6%	90.1%	90.0%	90.0%	90.0%
Metric 3.1.3 Percentage of contract dollars awarded to small disadvantaged businesses.	18.1%	15.5%	15.8%	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	4	4	4	4	4
Objective 3.2						
Metric 3.2.1 Annual score on the FEVS Employee Engagement Index.	74%	74%	79%	Exceed government-wide average (72%)	Exceed government-wide average	Exceed government-wide average
Metric 3.2.2 Annual score on the FEVS Global Satisfaction Index.	60%	62%	68%	Exceed government-wide average (64%)	Exceed government-wide average	Exceed government-wide average
Metric 3.2.3 Annual score on the FTC Diversity and Inclusion Index.	N/A	85%	87%	Exceed government-wide average (71%)	Exceed government-wide average	Exceed government-wide average
Metric 3.2.4 Percentage of people with disabilities in the FTC workforce.	8.8%	8.6%	9.3%	Equal or greater than previous FY	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.	1.4%	1.4%	1.2%	Equal or greater than previous FY	Equal or greater than previous FY	Equal or greater than previous FY

Strategic Goal 3 Metrics	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2024 Target	FY 2025 Target
Objective 3.3						
Metric 3.3.1 Percentage of FTC IT systems hosted outside of the FTC's data center.	N/A	90.0%	91.4%	90.0%	90.0%	90.0%
Metric 3.3.2 Availability of information technology systems.	99.94%	99.67%	99.52%	99.50%	99.50%	99.50%
Metric 3.3.3 Annual score on the FTC Cybersecurity Index.	6 of 8	7 of 8	7 of 8	Baseline [new Index]	7 of 8	7 of 8
Metric 3.3.4 Meet project milestones for developing an agency email records schedule and associated email capture and management process.	N/A	Email records schedule and policy drafted	Submitted email records schedule	Submit email records schedule to NARA for approval	Implement Capstone email records schedule	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	Finalized CUI processes	Implemented CUI marking and launched training	Implement CUI marking and launch training agency-wide	Conduct CUI program evaluation for DC offices	Conduct CUI program evaluation for regional 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 both 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

- **Enhance agency procurement:** Improve the effectiveness and efficiency of procurement-related work, especially as relates to expert witness contracts, which are among the most time sensitive. 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.
- **Increase emergency and climate readiness:** Enhance emergency and climate readiness and resilience, including the ability to anticipate, prepare for, and adapt to changing conditions and to withstand, respond to, and recover rapidly from climate related disruptions by updating the FTC's facility emergency plans and reviewing its Continuity of Operations plan annually. Update all emergency plans to reflect climate impacts in specific geographic locations over the next four years.
- **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 the FTC's ability to perform more targeted analytics that assess the effectiveness and efficiency of its financial management operations. Conduct a systematic review of all financial processes to ensure efficiency and effectiveness. Collaborate with the Department of the Treasury to implement G-invoicing, a long-term solution to improve the quality of the agency's Intragovernmental Transactions.

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 contract processing consequently slows down, needed equipment, supplies, and services, including expert witnesses for litigation, may be delayed, slowing down mission-critical work.

FY 2023 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 updated its Headquarters Occupant Emergency Plan to address the hybrid work environment and to implement FEMA's best practice of an all-hazards emergency management approach, including likely climate-related impacts. The FTC conducted security assessments of three regional offices to evaluate changing conditions and identify areas requiring approvement and to recommend next steps to ensure safety of FTC regional staff.
  - The FTC installed badging stations in all regional offices to ensure proper badging of all employees regardless of location.
- **Facilities**
  - The FTC leased its first electric vehicle and installed an electric recharging station in its headquarters building.
  - The FTC expanded its bike room to accommodate e-bikes and bikes that need to be stored horizontally to accommodate staff with special needs.
  - Completed gathering requirements for its Micro Program of Requirements and submitted them 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.
- **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. The Financial Management Office (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 its financial reporting tool, Oracle Business Intelligence. The agency's transition to an electronic procurement file management system was delayed by the pandemic, and the FTC is still exploring options in this area.

FY 2024 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.
- Deliver targeted messaging and informational training to increase staff awareness on climate resiliency and adaptation.
- Pursue a contract to develop a master plan for the Headquarters building to evaluate space use improvements.
- Explore options for improving security of the Headquarters entrances.
- Update egress and wayfinding signage in the Headquarters building.
- Enhance collection development procedures to ensure ongoing evaluation of electronic subscriptions as the agency explores a hybrid work environment.

- Pursue certification to the new FAC-C-IT standard for contracting officers required to sign future IT contracts.
- Pursue greater use of OBI financial dashboards, particularly to assist acquisitions in tracking Procurement Action Lead Time (PALT) and other contracting metrics.
- 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 "clean" audit opinion. Potential negative outcomes include a qualified or adverse opinion, or a disclaimer from opinion.

FY97 - FY19 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
Unmodified Opinion	Unmodified opinion	Unmodified Opinion	Unmodified opinion	Unmodified Opinion	Unmodified Opinion	Met	Unmodified opinion	Unmodified opinion

FY 2023 Highlights: The FTC takes very seriously its commitment of responsible stewardship of the public resources entrusted to us by the American taxpayers and Congress. The agency's FY 2023 independent financial audit yielded its 27th 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. The management letter did provide findings and recommendations for improvement to internal controls or business practices. These findings will be addressed in corrective action plans and through regular updates on actions to implement corrections.

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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
N/A	91.1%	94.5%	90.6%	90.1%	90.0%	Exceeded	90.0%	90.0%

FY 2023 Highlights: The FTC awarded 51 of 56 new contracts within established time frames, just meeting its PALT target. FMO continues to focus on ways to improve procurement processes, especially for expert witness contracts, which have the shortest PALT of two weeks. Four of the five contracts awarded that missed their PALT were expert witness contracts. The PALT rate for expert witness contracts, which are a subset of the contracts included here, was 75% (12 of 16 new contracts).

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

The federal government strives to ensure small businesses, not just large corporations, are capable of winning federal contracts. The FTC typically awards over $90 million in contracts each year to private companies for supplies and services needed to complete its 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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
11.7%	15.4%	18.1%	15.5%	15.8%	15.0%	Exceeded	15.0%	15.0%

FY 2023 Highlights: The FTC obligated funding of $18.1 million to small disadvantaged businesses in FY 2023, out of a total of $114.3 million in total obligations. Data for this metric, and other contract awards, is available on https://www.usaspending.gov.

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 to improve climate literacy.

FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
N/A	N/A	N/A	4	4	4	Met	4	4

FY 2023 Highlights: The FTC's Chief Sustainability Officer oversees selected provisions and government-wide sustainability initiatives and provided climate-related training opportunities for interested FTC staff to improve their understanding of climate resilience and climate change. The FTC has also begun implementing provisions like zero-emissions fleet vehicles.

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 the FTC's control, the FOIA team strives to respond to each request within statutory deadlines.

	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual
Number of FOIA Requests Received	1381	1177	1385	1619	1818
Number of FOIA Requests Processed	1361	1298	1375	1579	1811
Cost of FOIA Litigation	$22,988	$102,489	$166,155	$348,178	$787,889

FY 2023 Highlights: The Freedom of Information Act Unit continues to see increasing numbers of FOIA requests received. Since 2020, the unit has seen rates of FOIA requests increase by approximately 200 each year, a trend that is consistent with increases experienced by other government agencies. With the increased number of FOIA requests, the unit has also seen high level of FOIA appeals and FOIA litigations. Indeed, FY 2023 saw the highest-ever number of ongoing FOIA litigations in a single year, a fact that led to the substantial increase in FOIA litigation costs shown on the table.

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

Goal Leaders: Executive Director, Office of the Executive Director; Director, Office of Workplace Inclusivity and Opportunity; Director, Bureau of Consumer Protection; Director, Bureau of Competition; Director, Bureau of Economics; General Counsel, Office of the General Counsel

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 the FTC's 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

- **Streamline and expedite hiring procedures:** FTC looks to streamline and increase its hiring capability by onboarding additional human resources personnel, identifying and encouraging use of special hiring authorities when possible, streamlining internal processes through automation, and working to ensure FTC models OPM's hiring timeline.
- **Improve recruitment:** Explore use of expanded workplace flexibilities to improve recruitment. Expand hiring at regional offices. Place a stronger emphasis on targeted recruitment efforts to expand applicant pools. Increase the FTC's presence at job fairs and other events designed for specific job seekers (e.g., racial minorities, veterans, persons from rural communities, persons with disabilities, members of the LGBTQIA+ community, 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 mission areas (consumer protection and competition). Provide education and training opportunities that support the FTC 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 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 current 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.
  - Efforts from Congress to require agencies to return to telework postures equivalent to 2019 may impact recruitment and retention, as current and potential employees may seek alternate employment opportunities.
  - Workplace flexibilities continue to be critical factors in attracting and retaining highly qualified personnel. Applicants and many current employees are seeking maximum telework and remote work flexibilities.
- **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 2023 Progress Update

- **Workplace Flexibilities Policy**
  - 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, may be used as efficient and effective strategic management tools for attracting, retaining, and engaging talent to accomplish the agency's mission as well as for advancing diversity, equity, inclusion, and accessibility within the FTC workforce.
    - The policy is designed to offer workplace flexibilities to agency staff while maintaining a physical workplace that serves as a hub of connection and community. The FTC believes 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 well-being 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 Workplace Inclusivity and Opportunity (OWIO)**
  - The FTC's Office of Equal Employment Opportunity and Workplace Inclusion was renamed this year, into the Office of Workplace Inclusivity and Opportunity. Their work 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 volunteer groups and committees including the FTC Diversity Council, the Women's Employee Resource Group, the Pride Employee Resource Group, the Hispanic Employee Resource Group, and the Black Alliance Employee Resource Group.

- **Training and Employee Development**
  - The FTC is focusing on learning modernization and systems optimizations supporting employee's professional development needs and organizational mandated requirements. Specifically, in FY23, the learning management system eTrain2 underwent a significant upgrade to provide improved services to learners and update technical processes and procedures. Learning content was upgraded to the Percipio platform providing additional content for all topic areas, including advanced leadership topics, and DEIA content. Several FTC internal programs were designed, developed, and implemented and an Executive Leadership Development program was launched in FY23 with two cohorts and 50 executives completing the program.

FY 2024 Next Steps and Future Actions to Meet Strategic Objective

- Initiate efforts to establish an agency-wide workforce plan 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.
- Use 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.
- Partner with hiring managers to deploy recruitment and outreach strategies to attract a diverse workforce, including using 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; and student loan repayments as well as 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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
84%	87%	74%	74%	79%	Exceed government-wide average (72%)	Exceeded	Exceed government-wide average	Exceed government-wide average

FY 2023 Highlights: The FTC's Employee Engagement Index score rose 5 points to 79%, which is above the government-wide average of 72% and 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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
84%	89%	60%	62%	68%	Exceed government-wide average (64%)	Exceeded	Exceed government-wide average	Exceed government-wide average

FY 2023 Highlights: The FTC's Global Satisfaction Index score rose 6 points to 68%, which is above the government-wide average of 64%, but below the medium-size agency average of 70%.

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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
N/A	N/A	N/A	85%	87%	Exceed government-wide average (71%)	Exceeded	Exceed government-wide average	Exceed government-wide average

FY 2023 Highlights: The FTC's DEIA Index score rose 2 points to 87%, which is far above the government-wide average of 71% and the medium-size agency average of 76%.

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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
8.1%	8.0%	8.8%	8.6%	9.3%	Equal or greater than previous FY	Exceeded	Equal or greater than previous FY	Equal or greater than previous FY

Note: Results for FY 2021 and FY 2022 have changed from what was previously reported, from 8.7% to 8.8% in FY 2021 and from 8.7% to 8.6% in FY 2022. In reviewing the data collection for this metric, it was found that we weren't consistently gathering data from the same pay period each fiscal year. The data reported now consistently uses the last pay period of the fiscal year as its recording point.

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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
1.4%	1.3%	1.4%	1.4%	1.2%	Equal or greater than previous FY	Not Met	Equal or greater than previous FY	Equal or greater than previous FY

Note: In reviewing the data collection for this metric, it was found that we weren't consistently gathering data from the same pay period each fiscal year. The data reported now consistently uses the last pay period of the fiscal year as its recording point. Previously reported results were not affected by the change.

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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual
60 days	47.8 days	51.1 days	64.6 days	55.2 days

Note: The result for FY22 has changed from 57 days, reported previously, to 64.6 days. The previous result was miscalculated.

Objective 3.3 Optimize information management.

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

FTC mission success 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 cybersecurity landscape. Information and information systems must be protected from unauthorized access, use, disclosure, disruption, modification, or destruction 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.
- **Comply with federal records requirements:** Develop 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.
  - New federal mandates and guidance on information security and IT management create new and unexpected challenges and increase costs.
- **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.
- **Hybrid work environment**
  - A hybrid work environment increases the complexity of securing IT networks and providing IT systems and services to remote workers.
- **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 among contractors.

FY 2023 Progress Update

- **Information Technology**
  - The FTC continued to advance toward a zero-trust network architecture, focusing on projects and investments to improve the agency's identity, credential, and access management program. Specific achievements include upgrades and enhancements to FTC's chosen identity management and single-sign-on solution, updating user authentication policies and password requirements, and "cleanup" of old and unneeded system configurations.
  - The FTC upgraded technology components that serve as the infrastructure backbone for mission-critical systems, including a complete replacement of the agency's storage area network infrastructure,

replacement of aging data center power components, and upgrades to operating systems and economic analysis applications.

- The FTC deployed a cloud-based, automated onboarding/offboarding application, known as OchO, to coordinate personnel onboarding, moves, changes, and offboarding across FTC organizations.
- The FTC further strengthened its cybersecurity posture by moving to a cloud-based secure external file sharing platform to the cloud, a major step towards the goal of eventually eliminating any on-premises systems that accept external incoming traffic.
- The FTC expanded the use of the Microsoft 365 office productivity suite to include the use of SharePoint Online, Teams, and OneDrive to enhance employee communication and collaboration in a hybrid workplace.
- The FTC awarded a new contract for a centralized security operations center (SOC) with an integrated security information and event management (SIEM) platform. The SOC will provide the security monitoring tools and specialized skills needed to analyze log data across FTC IT resources, using advanced machine learning to proactively detect and mitigation security incidents.
- During FY 2023, the FTC further enhanced the security of user endpoints. The FTC migrated its endpoint detection and response (EDR) capabilities to a new platform managed by the DHS CISA Continuous Diagnostics and Monitoring (CDM) program to facilitate improved data sharing with CISA and remove dependencies for EDR operations on the FTC data center. Additionally, the FTC implemented “geo-blocking” on all FTC standard issue laptops to block the use of FTC devices overseas. Employees travelling outside of the United States must use a specially configured laptop to ensure maximum protection from foreign bad actors.
- The FTC updated several policies and processes regarding security and compliance in key areas such as supply chain risk management and system authorization and completed the migration of FTC-managed systems to NIST 800-53 Rev 5 controls.
- The FTC improved user cybersecurity awareness and incident reporting through implementation of a new method for phishing reporting, which uses machine learning and automated responses based on categories. The FTC also implemented automated phishing simulation exercises and conducted increased role-based security training for users with elevated system privileges.
- The FTC migrated agency file shares, data backups, and user authentication services 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. The FTC’s file share migration represented a significant level of effort as the project migrated approximately 250TB of data from all FTC locations, including the Regional Offices, representing critical documents from every organization within the FTC.

- **Records Management**
  - 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 FTC fully implemented an agency-wide controlled unclassified information (CUI) program. In advance of the program’s launch, FTC staff were required to complete mandatory training on designating (marking), safeguarding, transmitting, and decontrolling CUI. Marking of CUI has begun agency-wide, including the use of sensitivity labels in Microsoft Outlook to designate information containing CUI.

FY 2024 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.
- Complete the deployment of a cloud-based security information and event management (SIEM) platform. The SIEM will provide security monitoring tools to analyze log data across FTC IT resources, using advanced AI and machine learning to proactively detect and mitigate security incidents.
- Upgrade the network backbone at the Commission's Headquarters building. The HQ building has not had any major network or infrastructure modernization in almost 10 years and no longer meets the needs of the agency's hybrid workforce and increasing bandwidth usage due to the use of cloud computing.
- Rebuild the TextileRN application in a secure cloud environment. This project will not only improve FTC's cloud adoption but will also enhance FTC's security posture by allowing the agency to shut off inbound external traffic to the FTC data center, eliminating a major security vulnerability.
- Modernize all workspaces to support the new hybrid workforce. This includes the deployment of hoteling stations that support remote workers visiting the office and the upgrade of all conferencing spaces to support hybrid meetings using modern web collaboration tools.
- Roll out agency-wide training on best practices for email records management, including separate training for Commissioners and other senior officials.
- 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 to improve availability, performance, and security. This metric tracks the number of systems hosted outside the FTC's Enterprise Data Center.

FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
N/A	N/A	N/A	90.0%	91.4%	90.0%	Exceeded	90.0%	90.0%

FY 2023 Highlights: During FY 2023, FTC added seven new cloud systems to its system inventory, including four FedRAMP authorized software-as-a-service applications. As new requirements emerge, FTC will continue to prioritize the use of cloud services to meet technology needs. In FY 2024 and FY 2025, 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 critical information technology and end user 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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
99.98%	99.97%	99.94%	99.67%	99.52%	99.50%	Met	99.50%	99.50%

FY 2023 Highlights: The FTC met its availability target, reaching an actual availability of 99.52% for fiscal year 2023. In the first quarter of FY 2023, FTC completed a transfer of connectivity services from a legacy solution dependent on Managed Trusted Internet Protocol (MTIPS) to a modernized virtual wide-area network solution. This transition led to substantial system modifications directed at enhancing overall system performance and aligning with a Zero Trust network approach. However, the transition impacted legacy configurations for specific applications which led to significant downtime for certain individual applications and services. Post-transition, FTC adjusted configurations and contractor service level agreements (SLAs) to improve overall accessibility, stability and availability for the affected applications. In subsequent quarters, availability improved dramatically as FTC's modernized network led to an increase in overall availability during the remaining quarters of FY 2023. In FY 2024, the FTC anticipates continued improvements in overall system availability of the agency continued to migrate mission-critical systems to high availability cloud environments and performs major upgrades to the FTC's headquarters building infrastructure.

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:

- Percentage of major system internal users using phishing resistant authenticators
- Percentage of total of major systems where the desired state host inventory matches the actual state host inventory
- Percentage of 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
    - Zscaler 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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
6 of 8	7 of 8	6 of 8	7 of 8	7 of 8	Baseline [new Index]	N/A	7 of 8	7 of 8

FY 2023 Highlights: The FTC met or exceeded 7 of 8 cybersecurity index targets. The one metric not met tracks the percentage of endpoints meeting the desired state for application control. The target for this specific metric was not met due to discrepancies in reporting for endpoints with legacy applications and operating systems. The FTC continues to learn and adjust its data collection methods for this performance metric over time.

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 the FTC's 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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
N/A	N/A	N/A	Email records schedule and policy drafted	Submitted email records schedule	Submit email records schedule to NARA for approval	Met	Implement Capstone email records schedule	Complete evaluation of FTC email management practices

FY 2023 Highlights: In FY 2023, the FTC submitted a role-based email records retention schedule to the National Archives and Records Administration (NARA) for approval. Under this role-based model, also known as the Capstone approach, the length of time that an email record is preserved is based on an email account owner's role or position rather than on the content of each individual email message. NARA approved this Capstone-based email records schedule in August 2023, and the FTC is working to fully implement it.

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 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
N/A	N/A	N/A	Finalized CUI processes	Implemented CUI marking and launched training	Implement CUI marking and launch training agency-wide	Met	Conduct CUI program evaluation for DC offices	Conduct CUI program evaluation for regional offices

FY 2023 Highlights: In FY 2023, the FTC fully implemented an agency-wide controlled unclassified information (CUI) program. In advance of the program's launch, FTC staff were required to complete mandatory training on designating (marking), safeguarding, transmitting, and decontrolling CUI. Refresher training will be required annually for all staff going forward. The FTC is actively engaging with staff to monitor progress in complying with program requirements and will begin conducting program evaluations in FY 2024.