

# UNITED STATES OF AMERICA Federal Trade Commission

WASHINGTON, D.C. 20580

Dear Ms. Tabor,

After consulting with our Office of General Counsel, and pursuant to 16 C.F.R. 4.7(c), I am submitting the attached unsolicited ex parte communications directed at me and my staff concerning Commission Docket No. C-4365.

Of course, I have never made representations regarding how I would vote or act in any Commission matter.

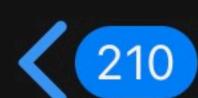
Sincerely,

Alvaro M. Bedoya

# Memorandum of Max Miller pursuant to 16 C.F.R. 4.7(c)(2)

On the morning of May 4, 2023, Dan Geldon approached me at a conference we were attending at the Renaissance Washington. Mr. Geldon further expressed his frustration about Commissioner Bedoya's Statement in the Facebook matter (Commission Docket No. C-4365) and the fact that we had not responded substantively to his prior messages.









iMessage Today 2:53 PM

Alvaro - Your statement today is insanely at odds with the representations you made to me about backing Lina on Facebook matters prior to your confirmation. Very very disappointing. I suspect it was obvious to you how the other side would weaponize it - like they did here - <a href="https://twitter.com/adamkovac/status/1653819976413859842?">https://twitter.com/adamkovac/status/1653819976413859842?</a>
<a href="mailto:s=46&t=UrddJs3LBT6\_33obi6vAEA">s=46&t=UrddJs3LBT6\_33obi6vAEA</a>. If not, it should have been.

And now Facebook directly is using it. Really unbelievable.

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Andy Stone twitter.com



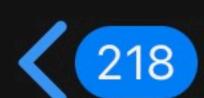
















iMessage Today 8:36 AM

Very telling that you don't even respond to text messages now that you don't need help getting confirmed. That pretty much says it all.

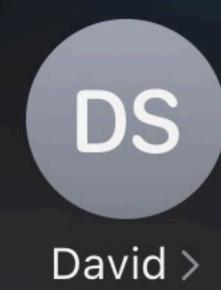




iMessage









Wed, May 3 at 2:33 PM

Hey Alvaro- Hope you're well. I have COVID, but can we try to touch base about FB pending shared availability?

Wed, May 3 at 4:59 PM

David - I'm so sorry to hear about you getting COVID. I hope you feel better soon. We just checked and confirmed with our general counsel that we/I am now prohibited from speaking to people about the matter since it is before me as an adjudicator. I've asked Aaron Rieke to give you a call to explain our restrictions. In any event, I hope our paths cross soon and again, that you make a quick recovery.

Delivered

Thank you









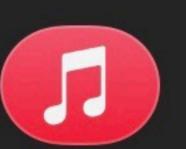


















Wed, May 3 at 1:57 PM

Fysa I just texted this to your boss.

Alvaro - Your statement today is insanely at odds with the representations you made to me about backing Lina on Facebook matters prior to your confirmation. Very very disappointing. I suspect it was obvious to you how the other side would weaponize it - like they did here - <a href="https://twitter.com/adamkovac/status/1653819976413859842?">https://twitter.com/adamkovac/status/1653819976413859842?</a>
<a href="mailto:s=46&t=UrddJs3LBT6§33obi6vAE">s=46&t=UrddJs3LBT6§33obi6vAE</a>
<a href="mailto:A.">A.</a> If not, it should have been.

Thu, May 4 at 7:42 AM

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Andy Stone twitter.com

Today 8:36 AM

Very telling that you don't even respond to text messages now that you don't need help getting confirmed. That pretty much says

> Dan - this matter is now in administrative proceeding so we are prohibited from communicating about it. I will need to provide these any communications regarding this matter to the Office of the Secretary.

Ok. Please feel free to convey to whoever you'd like that this was inexcusable and unforgivable.





Text Message

























confirmed. That pretty much says

Dan - this matter is now in administrative proceeding so we are prohibited from communicating about it. I will need to provide these any communications regarding this matter to the Office of the Secretary.

Ok. Please feel free to convey to whoever you'd like that this was inexcusable and unforgivable.

If I were aelp i would be disinviting you from the summit.

You should also feel free to convey that I hope this same standard has applied to Robert raben, who reps Facebook. And I hope Alvaro knows that if he has been talking to him in any way about Facebook it will come out and will be a scandal.





Text Message



















From: Bedoya, Alvaro

**Sent:** Tuesday, May 9, 2023 5:42 PM

**To:** Rieke, Aaron

**Subject:** 2 of 2

### Get Outlook for iOS

From: Alvaro Bedoya <alvaro.m.bedoya@gmail.com>

Sent: Wednesday, May 10, 2023 7:39 AM To: Bedoya, Alvaro <abedoya@ftc.gov> Subject: Fwd: Another data point

----- Forwarded message ------

From: **Dan Geldon** < <u>dgeldon@gmail.com</u>> Date: Thu, May 4, 2023 at 7:58 AM

Subject: Another data point

To: Alvaro Bedoya <a href="mailto:alvaro.m.bedoya@gmail.com">alvaro.m.bedoya@gmail.com</a>>

For how what you did is affecting the FTC's momentum. I hope you appreciate how consequential this will be for how a large number of people perceive your work and kinship moving forward.

From: Gallant, Paul < Paul.Gallant@cowen.com >

Date: Wed, May 3, 2023 at 5:19 PM

Subject: [External] Quick Take on FTC Proposed Meta Penalties - TD Cowen

To: Gallant, Paul < Paul.Gallant@cowen.com >





Quick Take on FTC Proposed Meta Penalties

#### THE TD COWEN INSIGHT

Today the FTC announced a proposed penalty for **Meta** for allegedly violating its past settlements with the FTC. But for various reasons, we think there may be less ultimate impact on Meta than it appears today. Also, it's possible FTC is investigating others (**Google**, TikTok, **Snap**) given agency's concern about kids privacy probably isn't limited to Meta.

Here are our initial views on the FTC's proposed new penalties for Meta regarding children's privacy--

- What happened. Today the FTC announced a proposed penalty for Meta for allegedly violated its past settlements with the FTC. Key restrictions would be: 1) no targeted ads to teens 17 and under; and 2) all new products/features must first be reviewed by independent privacy board.
- Less than meets the eye. At first glance, we think the market concerns may be overdone. Three reasons: 1) Meta already devalued teen advertising. Meta's recently voluntarily restricted the information that advertisers have to target ads to teenage users. Today, advertisers only know a teenager's location and estimated age. So removing those two factors probably matters less than it would have last year;

  2) Are there actually three votes to ban targeted ads to teens? Democratic Commissioner Alvaro Bedoya issued a concurring statement signaling he might not support Chair Khan's proposed "no monetizing teens' data." He say there may not be a sufficient nexus between the violations alleged by the FTC and this proposed remedy. If he doesn't vote with the other two Democrats, this teens/data penalty

won't actually happen. 3) Courts likely involved – adds time and uncertainty. Finally, today's announcement is only a proposed order. The FTC will take Meta's input in 30 days and issue a final ruling, probably in the fall of 2023. We would expect Meta to challenge that in court. So there is likely a meaningful period of time -- at least a year -- before it must comply with any new restrictions. And it's possible courts would simply reject the FTC's findings that Meta violated its past consent decrees and bar any new FTC mandates. Four years ago, the Trump FTC settled for ;a fine rather than risk losing in court. That was heavily criticized (including by Chair Khan) because Meta's stock price rose after the FTC "only" at \$5B fine and not business model changes. We expect today's ruling will ultimately result in a court case. We're inclined to think the FTC will prevail, but at least 1-in-3 that Meta wins

• Implications for Google, TikTok, Snap. Meta is clearly the most attractive political target for the FTC given the Frances Haugen revelations about teens and Facebook/Instagram. But kids privacy is a hot topic in Washington – Congress is once again trying again to pass a bill on this topic. The agency to likes to be in sync with the Hill, so we suspect it's also investigating TikTok, Snap and Google on kids privacy. Google (2012) and Snap (2014) are already under FTC consent decrees for privacy violations. We note this because if the FTC finds those decrees were violated, it's could be somewhat easier for the agency to successfully apply new restrictions on them vs. making an initial claim that they violated the FTC's "unfair and deceptive" statute.

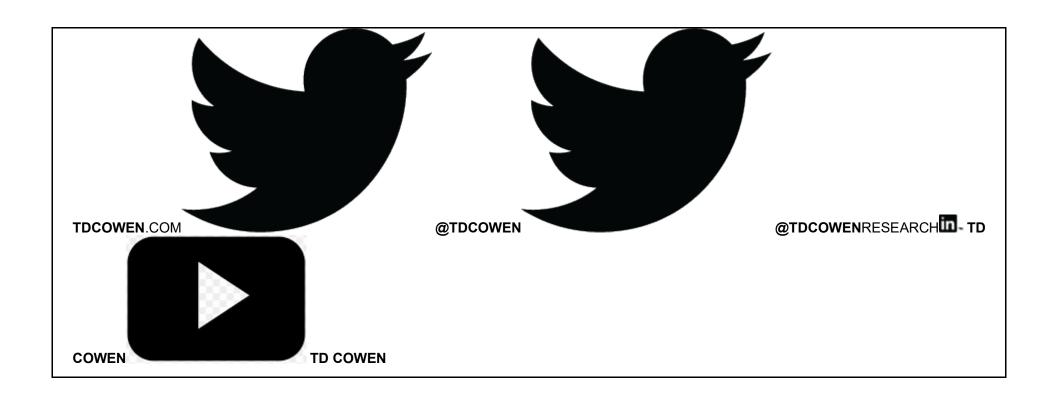
#### **PAUL GALLANT**

202 868 5303 paul.gallant@cowen.com

May 3, 2023

## **CLICK HERE TO READ MORE**

See addendum in full report or click here for important disclosures.



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From: Katharina Kopp

To: Rieke, Aaron; Estrada, Danielle
Subject: Re: Request for meeting on Meta
Date: Thursday, May 11, 2023 11:07:58 AM

Thank you, appreciate this. Will be in touch soon again.

Best, Katharina

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Katharina Kopp, Ph.D. (pronoun: she) Deputy Director, Director of Policy Center for Digital Democracy 1015 15th Street, NW, #600 Washington, DC 20005 202-836 4621

kkopp@democraticmedia.org
https://www.democraticmedia.org/

From: "Rieke, Aaron" <arieke@ftc.gov>
Date: Thursday, May 11, 2023 at 2:06 PM

To: Katharina Kopp <kkopp@democraticmedia.org>, "Estrada, Danielle" <destrada@ftc.gov>

Subject: RE: Request for meeting on Meta

Hi Katharina,

Thanks for reaching out.

We can't meet because that proceeding is in adjudicative status within the Commission. Our *ex parte* rules apply to anyone expected to be involved in the decisional process, which includes Attorney Advisors.

Hope we can all connect about other matters soon.

Kind regards,

Aaron

From: Katharina Kopp <kkopp@democraticmedia.org>

**Sent:** Wednesday, May 10, 2023 6:07 PM

**To:** Estrada, Danielle <destrada@ftc.gov>; Rieke, Aaron <arieke@ftc.gov>

Subject: Request for meeting on Meta

Dear Daniel and Aaron,

I hope you a well.

On behalf of EPIC, Fairplay, U.S. PIRG, and CDD, I would like to request a meeting with you both about the FTC's proposed order on Meta. We understand that commissioner Bedoya would be unable to meet with us, but that you might be technically able to do so. We would be delighted if you could find the time to schedule a meeting with us.

Please let me know if this is a possibility and we could go ahead and schedule something.

Thanks for your attention to this. Looking forward to hearing from you. Best, Katharina

Katharina Kopp, Ph.D. (pronoun: she) Deputy Director, Director of Policy Center for Digital Democracy 1015 15th Street, NW, #600 Washington, DC 20005 202-836 4621 kkopp@democraticmedia.org

https://www.democraticmedia.org/

From: Ryan Grim
To: Rieke, Aaron
Subject: RE: Media inquiry

**Date:** Tuesday, May 16, 2023 2:15:17 PM

Gotcha, thanks

On Tue, May 16, 2023 at 4:51 PM, Rieke, Aaron < arieke@ftc.gov > wrote:

Hi Ryan,

Thanks for reaching out. Commissioner Bedoya did not discuss this matter with anyone outside the agency before issuing his statement.

Kind regards,

Aaron

#### **Aaron Rieke**

Chief of Staff, Attorney Advisor

Office of Commissioner Alvaro M. Bedoya | Federal Trade Commission

202-304-3810 | arieke@ftc.gov

**From:** Ryan Grim < ryan.grim@theintercept.com>

**Sent:** Tuesday, May 16, 2023 3:19 PM **To:** Rieke, Aaron <arieke@ftc.gov>

**Subject:** Media inquiry

I'm looking into Commission Bedoya's early time on the panel, and was wondering if he took any meetings with anybody from Facebook or working for Facebook before issuing this statement: Statement-FINAL.pdf

From: Adam Green
To: Rieke, Aaron

Subject: Aaron, some feedback...

Date: Friday, May 12, 2023 7:03:38 AM

Hi, Aaron.

Adam Green here, co-founder of the Progressive Change Institute. We ran a <u>personnel project</u> during the Biden Transition that advocated behind the scenes for now-Commissioner Bedoya.

I'm writing because we noticed the Wall Street Journal editorial board and Facebook quoting Commissioner Bedoya's recent concurring opinion to undermine the FTC's recent Facebook action. There aren't enough bold leaders in government for our side's folks to commit missteps and hand Rupert Murdoch and big corporations a rhetorical victory and possible legal momentum.

As supporters of his nomination who have fought for years for corporate accountability, market competition, and good personnel, I wanted to register our disappointment -- alongside our continued hopes for Commissioner Bedoya to play a strong role alongside Lina Khan in making transformational policy. We are currently working with the White House and other national groups on a summer strategy of amplifying some of the FTC's bold moves for consumers on a hyper-local level -- and it's important that those bold optics not be undermined.

If you'd be up for discussing at some point, soon or down the road when things are quieter, I'd appreciate the opportunity to compare notes.

Thank you. -- Adam Green