Google Q&A on Facebook Transcript

The following is a transcript of the FTC's official Q and A with attorneys Megan Gray and Megan Bartley answering questions from the public about the FTC's Google settlement on August 9, 2012. The chat was scheduled from 1:00pm-2:00pm ET. We've listed the comments directed to the FTC and answers in order for ease of reading. This information, without names redacted & in the actual order posts came in, remains public on the <u>FTC's Facebook page</u>.

Staff Opening Comment: Hi, all. Megan Gray and Megan Bartley here from the FTC's Division of Enforcement ready to answer your questions about Google! Please post them in the comment thread below. For more information on the settlement, see our press release: http://go.usa.gov/GFW. For information about how our chats work and previous examples, see: http://go.usa.gov/GFW.

Comment 1: The FTC claims that Google, which made over \$11 billion in the last year, is being faced with the "highest fine ever levied for violation of a Commission consent order," but wasn't the \$37.6 million penalty against individual Kevin Trudeau the highest?

Staff Response: In Trudeau, the court ordered him to pay that amount to compensate consumers for being in contempt of a court order; the Google penalty is for violating an FTC order. It is the highest civil penalty for any FTC order violation.

Comment 2: I echo this concern: How effective a deterrent is \$22.5 mil to a corporation with \$40+ bil of cash on hand and over \$11 bil in profit? Isn't this already Google's second violation?

Staff Response: Google is paying with black eyes as well as greenbacks. We will continue watching them and there will be increasing deterrence as needed.

Comment 3: Regardless of any technical distinction, \$37.6 million to an individual vs. \$22.5 million to a \$210 billion corporation? Effective deterrent?

Staff Response: The comparison is apples to oranges; the Trudeau amount is for consumers. Deterrence is based on more than money alone.

Comment 4: Who will get the money the consumer or the government ?

Staff Response: Civil penalties are paid to the U.S. Treasury.

Staff: Thank you all for your questions and participation. Today's chat is now concluded.