

UNITED STATES OF AMERICA Federal Trade Commission

WASHINGTON, D.C. 20580

Statement of Commissioner Mark R. Meador FTC and Utah Division of Consumer Protection v. Aylo Group Ltd. et al. Matter Number 2123033

September 3, 2025

For years, Aylo (formerly MindGeek) and the companies in its portfolio profited from sexual violence and abuse. The many pornographic websites run by Aylo were rife with videos depicting child sexual exploitation and the sexual assaults of nonconsenting individuals. Despite anguished appeals by survivors, typically seeking to stop the company from profiting off the records of their abuse, Aylo largely ignored their pleas. It took a devastating *New York Times* exposé, and subsequent pressure from payment processors like Visa and Mastercard—a direct threat to Aylo's business model—to finally force the company into action. Even if Aylo remains financially solvent today, the facts are now clear: it is morally bankrupt.

Today, the Commission votes to impose severe injunctive relief against Aylo to ensure that the company's history of abuses never recurs. As the recent passage of the *TAKE IT DOWN Act* indicates, these abuses are poised to intensify dramatically in the age of AI deepfakes. I am pleased to vote in favor of the settlement today. But I regret that it can go no further.

The Commission undertakes this legal action against Aylo pursuant to the FTC Act. That Act, among other things, prohibits companies from engaging in unfair or deceptive acts and practices.³ It is self-evidently unfair to "feature" individuals in videos and images of child sexual abuse or sexual acts to which they do not consent. (If anything, the word "unfair" fails to do justice to the severity of this harm.) It is also deceptive to misrepresent one's willingness to remove this illegal material, or to claim that one's website is free of such content. As the Commission's complaint amply details, Aylo committed all these unfair and deceptive acts, and more.

Section 13(b) of the FTC Act empowers the Commission to sue in federal court for violations of the Act, such as the unfair and deceptive acts committed by Aylo.⁴ Courts for many years held that Section 13(b) authorized a broad range of equitable remedies—including

¹ See, e.g., Nicholas Kristof, *The Children of Pornhub*, N.Y. Times (Dec. 4, 2020), https://www.nytimes.com/2020/12/04/opinion/sunday/pornhub-rape-trafficking.html.

² Jazmin Goodwin, *MasterCard, Visa, and Discover Cut Ties with Pornhub Following Allegations of Child Abuse*, CNN (Dec. 14, 2020), https://edition.cnn.com/2020/12/14/business/mastercard-visa-discover-pornhub.

³ 15 U.S.C. § 45(a)(1).

⁴ 15 U.S.C. §§ 45, 53(b).

monetary redress for those harmed by a defendant's unlawful conduct—for violations of Section 5 of the FTC Act.⁵ In cases like this one, the logic of such a remedy is straightforward: Aylo profited handsomely from abuse and exploitation at the expense of vulnerable individuals, so Aylo should be held responsible for the harms it caused to those victims.

Unfortunately, as the Supreme Court held in 2021, that reading of Section 13(b) was incorrect. The FTC Act does not authorize courts to award equitable monetary relief, such as restitution, for Section 5 violations.⁶ While correct as a matter of law, this ruling nonetheless upended decades of established practice and effectively kneecapped the Commission's ability to secure consumer redress in many cases. Because of this, the Commission today lacks the power to obtain appropriate financial relief for those victimized by Aylo's evil acts.

There is a straightforward solution: Congress could pass a narrowly tailored legislative fix to once again allow the Commission to obtain justice for injured consumers in the form of financial compensation. That legislation would simply clarify that Section 13(b) authorizes the Commission to obtain equitable monetary relief for deceptive and unfair acts and practices that, as here, violate Section 5 of the FTC Act.

Technical statutory fixes make for unglamorous bills. But the stakes are real and farreaching: Aylo remains in business today, mostly unburdened by the crippling financial liabilities that it rightly owes its victims, because Congress has not yet acted to restore Section 13(b) to its full strength. Those interested in curbing the abusive and destructive practices of this company and, indeed, this industry—are invited to provide the Commission with the tools needed to do justice.

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⁵ See AMG Cap. Mgmt., LLC v. Fed. Trade Comm'n, 593 U.S. 67, 73 (2021).

⁶ *Id.* at 70.