

Oral Remarks of Commissioner Christine S. Wilson

Open Commission Meeting on March 16, 2023

6(b) Orders Concerning Deceptive Advertising on Social Media

6(b) Order Concerning Small Business Credit Reporting Agencies

I. 6(b) Orders Concerning Deceptive Advertising on Social Media

Thank you, Chair Khan. And thank you to Laura Sullivan for the presentation, and to the staff in the Bureau of Consumer Protection, Bureau of Economics, Office of General Counsel and the Chief Technology Office for their work on this recommendation.

Division of Advertising Practices: Laura Sullivan, Rafael Reyneri, Richard Quaresima and Serena Viswanathan

Bureau of Economics: William Violette and Davesh Raval

Office of General Counsel: Josephine Liu, Richard Gold, and Robin Moore

Chief Technology Office: Raashee Erry

Division of Marketing Practices: Benjamin Davidson, Kathleen Daffan, and Lois Greisman

Division of Privacy and Identity Protection: Jacqueline Ford and Ronnie Solomon

Division of Financial Practices: Michelle Grajales

Bureau of Consumer Protection: Alejandro Rosenberg and Rebecca Unruh

One of the unique aspects of the Federal Trade Commission is its perennial pursuit of learning. Through workshops, hearings, and 6(b) studies like those on the agenda today, the agency stays abreast of new technologies, evolving industries and business practices, and legal and economic advances. These initiatives inform the Commission's law enforcement agenda and its policy positions.

As staff discussed, we have seen a surge in deceptive and fraudulent advertising on social media and video streaming platforms. Given this trend, the topic of this study likely will be beneficial to consumers who use these services. But obtaining and analyzing the data from this study will require significant resources. I will note that the FTC currently has multiple 6(b) studies underway, including one focused on Social Media and Video Streaming Service Providers,¹ a second on Pharmacy Benefit Managers,² a third on the Impact of Physician Group and

¹ FTC: 6(b) Orders to File Special Report to Social Media and Video Streaming Service Providers (Dec. 2020), <https://www.ftc.gov/reports/6b-orders-file-special-reports-social-media-video-streaming-service-providers>.

² FTC: Order to File Special Report (June 2022), https://www.ftc.gov/system/files/ftc_gov/pdf/P221200PBMMModelOrder.pdf.

Healthcare Facility Mergers,³ and a fourth on the Competitive Impact of Supply Chain Disruptions in Consumer Goods.⁴ The Commission also has launched numerous expansive rulemakings, including the Commercial Surveillance and Data Security Trade Regulation Rule⁵ and the Unfair or Deceptive Fees Trade Regulation Rule.⁶

Given the diversification of American commerce and the growth of our national economy, our staff are consistently called to expand the scope of their work – and, despite limited resources, staff have never failed to rise to the challenge. But we do, in fact, have limited resources, limited statutory authority, and limited bandwidth. As result, hard choices must be made.⁷ I would hope that the Commission’s law enforcement efforts will not be diluted too significantly by the expenditure of resources in so many other arenas. To facilitate transparency and accountability, it would be helpful for the public to understand how many full-time employees are being allocated for this 6(b), for the other ongoing 6(b) studies, and for the rulemakings underway.

Again, I commend the staff for the excellent presentation today and the thorough work on this 6(b) study.

II. 6(b) Orders Concerning Small Business Credit Reporting Agencies

Thank you, Chair Khan. And thank you to the staff from our Eastern Central Regional Office, the Bureau of Consumer Protection, and the Bureau of Economics for their work on this recommendation.

Eastern Central Regional Office: Dana Barragate, Harris Senturia, and Sammi Nachtigal

Bureau of Economics: Margaret Patterson

Bureau of Consumer Protection: Katherine Worthman and Rebecca Unruh

As with the Social Media Ad Fraud 6(b), staff have crafted a thorough set of inquiries. And our 2022 Dun & Bradstreet case demonstrated that the topic of this 6(b) likely will be beneficial to small businesses throughout the U.S. As I noted earlier, though, there are many worthwhile projects for the agency to pursue; in a world of finite resources, prudent governing requires hard choices about where to deploy these scarce resources.

Thank you again to all of the staff for your work on these matters. It is always a privilege to work with the dedicated and talented staff at the FTC.

³ FTC: Order to File Special Report (Jan. 2021), https://www.ftc.gov/system/files/documents/reports/order-file-special-report-physician-6b-order/model_order_to_file_special_report.pdf.

⁴ FTC: 6(b) Orders to File Special Report on the Competitive Impact of Supply Chain Disruptions in Consumer Goods (Nov. 2021), <https://www.ftc.gov/reports/6b-orders-file-special-report-competitive-impact-supply-chain-disruptions-consumer-goods>.

⁵ Trade Regulation Rule on Commercial Surveillance and Data Security, 87 FR 51273 (Aug. 22, 2022)

⁶ Unfair and Deceptive Fees Trade Regulation Rule, 16 CFR Part 464, https://www.ftc.gov/system/files/ftc_gov/pdf/R207011UnfairDeceptiveFeesANPR.pdf.

⁷ Christine S. Wilson, Governing is Hard: Antitrust Enforcement in the First Year of the Biden Administration (Jan. 26, 2022), https://www.ftc.gov/system/files/documents/public_statements/1600479/governing_is_hard_antitrust_enforcement_in_the_first_year_of_the_biden_administration_0.pdf.