

The diagram illustrates the layout of the FTC.gov website. It features a yellow rectangular area representing the website content. On the left, a yellow box labeled "FTC.gov home page" is connected to the main content area by a line. In the center, a yellow oval labeled "Site navigation:" contains the text "Consumer and business help are easy to find in". On the right, a yellow circle labeled "Utility menu: Key tasks at the top of every page." is also connected to the main content area by a line. The entire diagram is set against a background of a blue sky with white clouds.

Site navigation:  
Consumer and business  
help are easy to find in  
site navigation.

From fighting unfair business practices to enforcing antitrust laws, we help the market work for consumers. We are the Federal Trade Commission.

About us

Email signup and social media promoted on every page.

## Expanded site navigation using megamenus

## Consumer Advice megamenu

Clicking a link in the site navigation opens a megamenu. Scroll down to see other megamenus in site navigation.

The screenshot shows the FTC website with several annotations:

- Top Bar:**
  - Left: "An official website of the United States government" and a link "Here's how you know ✓".
  - Right: "Español" and navigation buttons: "Report Fraud", "Sign Up for Alerts", and "Search the Legal Library".
- Header:**
  - Left: FTC seal and "FEDERAL TRADE COMMISSION PROTECTING AMERICA'S CONSUMERS".
  - Right: Navigation links: "Consumer Advice", "Business Guidance", "Enforcement and Policy", "News and Events", "About the FTC", and a search icon.
- Main Content Area:**
  - Consumer Advice:**
    - Section: "Find resources to help keep you informed and safe." with a button "Visit Consumer Advice".
    - Service members: "Your tool for financial readiness" with a link "Visit militaryconsumer.gov".
  - Sections:**
    - Money and Credit
    - Homes and Mortgages
    - Health and Fitness
    - Jobs and Making Money
    - Privacy, Identity, and Online Security
    - Scams
  - Take action:**
    - Report fraud
    - Report identity theft
    - Register for Do Not Call
    - Sign up for consumer alerts
    - Get your free credit report
    - Learn about refund cases
  - Consumer Blog:**
    - Letter from Acting Director of the Bureau of Consumer Protection Samuel Levine to Facebook (August 5, 2021).
- Annotations:**
  - A yellow speech bubble points to the "Sign Up for Alerts" button.
  - A yellow speech bubble points to the "Megamenus" (Sections and Take action) area, containing the text: "Megamenus make it easier to perform tasks and find information."

Megamenus make it easier to perform tasks and find information.

Business Guidance megamenu

An official website of the United States government

Here's how you know

EspañolReport FraudSign Up for Consumer AlertsSearch the Legal Library

FEDERAL TRADE COMMISSION  
PROTECTING AMERICA'S CONSUMERS

Consumer AdviceBusiness GuidanceEnforcement and PolicyNews and EventsAbout the FTC

# Business Guidance

Our mission is to protect consumers and competition without unduly burdening legitimate business activity.

Find the resources you need here to understand how consumer protection law impacts your business.

View Business Guidance

## Sections

- Advertising and Marketing
- Credit and Finance
- Privacy and Security
- By Industry
- For Small Businesses
- Browse Business Guidance Resources
- Business Blog

## Business Blog

### Sun sets on Sunrise Nutraceuticals' unproven claims to beat opiate addiction

Lesley Fair | July 6, 2016

Get Business Blog updates


## Video

### How to Report Fraud at

### ReportFraud.ftc.gov


How to Report Fraud at ReportFraud.ftc.gov

## Enforcement and Policy megamenu



An official website of the United States government [Here's how you know](#)

[Español](#)
[Report Fraud](#)
[Sign Up for Consumer Alerts](#)
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**FEDERAL TRADE COMMISSION**  
PROTECTING AMERICA'S CONSUMERS

[Consumer Advice](#)
[Business Guidance](#)
[Enforcement and Policy](#)
[News and Events](#)
[About the FTC](#)

# Enforcement and Policy


We enforce federal consumer protection laws that prevent fraud, deception and unfair business practices.

[View Enforcement and Policy](#)

## Search or browse the Legal Library

Find legal resources and guidance to understand your business responsibilities and comply with the law.

[Browse legal resources](#)



### Sections

- [Competition Enforcement](#)
- [Consumer Protection Enforcement](#)
- [Competition and Consumer Protection Guidance Documents](#)
- [Rulemaking](#)
- [Advocacy and Research](#)
- [International](#)
- [Competition Matters Blog](#)

### Take action

- [Report an antitrust violation](#)
- [See early termination notices](#)
- [Submit a public comment](#)
- [File adjudicative documents](#)
- [Find banned debt collectors](#)
- [View competition guidance](#)

### Competition Matters Blog


#### What's the interest in partial interests?

Mike Moiseyev, Bureau of Competition | May 9, 2016

[View all Competition Matters Blog posts](#)

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News and Events megamenu



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# News and Events

Latest News

## FTC Alleges Facebook Resorted to Illegal Buy-or-Bury Scheme to Crush Competition After String of Failed Attempts to Innovate

August 19, 2021

View News and Events

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Topics

Data and Visualizations

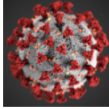
Stay Connected

Sign up for the latest news

Follow us on social media




Feature



## Coronavirus Action Center


Spot the latest COVID scams, get compliance guidance, and stay up to date on FTC actions during the pandemic.



## Daily COVID-19 Complaint Data

Use our visualizations to explore scam and fraud trends in your state based on reports from consumers like you.

About the FTC megamenu



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# About the FTC

Our mission is protecting consumers and competition by preventing anticompetitive, deceptive, and unfair business practices through law enforcement, advocacy, and education without unduly burdening legitimate business activity.

Learn more about the FTC

Sections

Mission

History

Commissioners and Staff

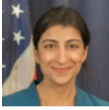
Bureaus and Offices

Budget and Strategy

Careers

Contact

Featured



## Meet the Chair

Lina Khan was sworn in as Chair of the Federal Trade Commission on June 15, 2021.

[Chair Lina Khan](#)



Enforcement and Policy landing page







Press Release

An official website of the United States government

Here's how you know ✓

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For Release

FTC Alleges Facebook Resorted to Illegal Buy-or-Bury Scheme to Crush Competition After String of Failed Attempts to Innovate

Agency’s amended complaint details how the monopolist survived existential threats by illegally acquiring innovative competitors and burying successful app developers

August 19, 2021

f t i

Tags: Competition | Bureau of Competition | Merger | Nonmerger | Single Firm Conduct | Unfair Methods of Competition | Big Data | Technology

Related Cases

Facebook, Inc., FTC v.

Related actions

Dissenting Statement of Commissioner Christine S. Wilson

Topics

Merger Review

Competition in the Technology Marketplace

Today, the Federal Trade Commission filed an amended complaint against Facebook in the agency’s ongoing federal antitrust case. The complaint alleges that after repeated failed attempts to develop innovative mobile features for its network, Facebook instead resorted to an illegal buy-or-bury scheme to maintain its dominance. It unlawfully acquired innovative competitors with popular mobile features that succeeded where Facebook’s own offerings fell flat or fell apart. And to further moat its monopoly, Facebook lured app developers to the platform, surveilled them for signs of success, and then buried them when they became competitive threats. Lacking serious competition, Facebook has been able to hone a surveillance-based advertising model and impose ever-increasing burdens on its users.

“Facebook lacked the business acumen and technical talent to survive the transition to mobile. After failing to compete with new innovators, Facebook illegally bought or buried them when their popularity became an existential threat,” said Holly Vedova, FTC Bureau of Competition Acting Director. “This conduct is no less anticompetitive than if Facebook had bribed emerging app competitors not to compete. The antitrust laws were enacted to prevent precisely this type of illegal activity by monopolists. Facebook’s actions have suppressed innovation and product quality improvements. And they have degraded the social network experience, subjecting users to lower levels of privacy and data protections and more intrusive ads. The FTC’s action today seeks to put an end to this illegal activity and restore competition for the benefit of Americans and honest businesses alike.”

The FTC filed the amended complaint today in the U.S. District Court for the District of Columbia, following the court’s June 28 ruling on the FTC’s initial complaint. The amended complaint includes additional data and evidence to support the FTC’s contention that Facebook is a monopolist that abused its excessive market power to eliminate threats to its dominance.

According to the amended complaint, a critical transition period in the history of the internet, and in Facebook’s history, was the emergence of smartphones and the mobile Internet in the 2010s. Facebook’s CEO, Mark Zuckerberg, recognized at the time that “we’re vulnerable in mobile” and a major shareholder worried that Facebook’s mobile weakness “ran the risk of the unthinkable happening - being eclipsed by another network[.]”

After suffering significant failures during this critical transition period, Facebook found that it lacked the business talent and engineering acumen to quickly and successfully integrate its outdated desktop-based technology to the new era of mobile-first communication. Unable to maintain its monopoly or its advertising profits by fairly competing, Facebook’s executives addressed this existential threat by buying up the new mobile innovators, including its rival Instagram in 2012 and mobile messaging app WhatsApp in 2014, who had succeeded where Facebook had failed. The company supplemented its anticompetitive shopping spree with an open-first-close-later scheme that helped cement its monopoly by severely hampering the ability of rivals and would-be rivals to compete on the merits. By anticompetitively cementing its personal social networking monopoly, Facebook has harmed the competitive process and limited consumer choice.

As described in the amended complaint, after starting Facebook Platform as an open space for third party software developers, Facebook abruptly reversed course and required developers to agree to conditions that prevented successful apps from emerging as competitive threats to Facebook. By pulling this bait and switch on developers, Facebook insulated itself from competition during a critical period of technological change. Developers that had relied on Facebook’s open-access policies were crushed by new limits on their ability to interoperate. Facebook’s conduct not only harmed developers such as Circle and Path, but also deprived consumers of promising and disruptive mavericks that could have forced Facebook to improve its own products and services.

The amended complaint bolsters the FTC’s monopoly power allegations by providing detailed statistics showing that Facebook had dominant market shares in the U.S. personal social networking market. The suit also provides new direct evidence that Facebook has the power to control prices or exclude competition; significantly reduce the quality of its offering to users without losing a significant number of users or a meaningful amount of user engagement; and exclude competition by driving actual or potential competitors out of business.

Facebook’s dominant position is also protected by significant barriers to entry, including high switching costs. Over time, users of a personal social network build more connections and develop a history of posts and shared experiences, which they cannot easily transfer to another personal social networking provider.

Other significant barriers to entry include user-to-user effects, known as network effects, which make a personal social network more valuable as more users join the service. As the amended complaint notes, it is very difficult for a new entrant to displace an established personal social network in which users’ friends and family already participate.

According to the amended complaint, Facebook continues to monitor the industry for competitive threats to its personal social networking monopoly. Facebook is likely to impose anticompetitive conditions on access to its platform and seek to acquire companies it perceives as potential threats, especially when it next faces “acute competitive pressures from a period of technological transition,” the amended complaint alleges.

The FTC’s Office of General Counsel carefully reviewed Facebook’s petition to recuse Chair Lina M. Khan. As the case will be prosecuted before a federal judge, the appropriate constitutional due process protections will be provided to the company. The Office of the Secretary has dismissed the petition.

The Commission vote to authorize staff to file the amended complaint in the U.S. District Court for the District of Columbia was 3-2. Commissioner Christine Wilson also issued a dissenting statement.

The Federal Trade Commission works to promote competition, and protect and educate consumers. You can learn more about how competition benefits consumers or file an antitrust complaint. Like the FTC on Facebook, follow us on Twitter, read our blogs, and subscribe to press releases for the latest FTC news and resources.

Feedback button



# Highlights of the new Consumer Advice Home page

Consumer Advice home page

Navigation is reorganized to help visitors find the most relevant content.

An official website of the United States government [Here's how you know](#)

**FEDERAL TRADE COMMISSION  
CONSUMER ADVICE**

Shopping and Donating | Credit, Loans, and Debt | Jobs and Making Money | Unwanted Calls, Emails, and Texts | Identity Theft and Online Security | Scams

## What to do if you were scammed

Learn more

### Top tasks

- Report fraud
- Report identity theft
- Get your free credit report
- Register for Do Not Call
- Get consumer alerts

### The Latest in Consumer Advice

#### Articles

Credit, Loans, and Debt

#### Cosigning a Loan FAQs

When you cosign a loan for a friend or family member, you're putting your own finances and creditworthiness on the line. Here's what you need to know before you cosign a loan. What's a cosigner? Why

Credit, Loans, and Debt

#### Did a Lender Offer Less Favorable Terms or Deny You Credit?

Did you apply for credit and get a notice that you got less favorable terms because of your credit report or credit score? Your credit report and credit scores can affect whether you get credit or the

Unwanted Calls, Emails, and Texts

#### Cuatro maneras de adelantarse a los estafadores de certificados de vacunación contra el COVID-19

Descargar PDF

All articles

#### Consumer Alerts

Health

#### The clock is ticking for open enrollment at Medicare.gov and Healthcare.gov

Colleen Tressler | December 2, 2021

Medicare The Medicare Open Enrollment deadline of December 7, 2021 is fast approaching. If you're on Medicare, now is the time to review your health and prescription drug coverage and compare it with

Jobs and Making Money

#### Looking for a new job? Watch out for scams

Ari Lazarus | November 29, 2021

As we wrap up National Caregiver Month, the FTC wants to recognize all the incredible work that caregivers like you do every day. The work is seen and unseen and helps people in both physical and

Shopping and Donating

#### Celebrate Hanukkah without the scams

Carly Johnson | November 24, 2021

Hanukkah is all about spending time with loved ones, celebrating traditions, and, for many, giving gifts. So, as you start preparing for all eight nights, here are some things you can do to avoid

All consumer alerts

#### 5 Ways to Help Protect Your Identity

Payday Lending - Personal Finance Tips

Get consumer alerts

Enter email address

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Easy sign-up for consumer alerts.

Highlighting visitors' Top Tasks makes them even easier to find.

## More from the FTC

### Report to help fight fraud!

Protect your community by reporting fraud, scams, and bad business practices.

Report fraud

### Pass It On

The truth is that sharing what you know can help protect someone who you know from a scam.

Share now

### ...Pass it ON

Quick links for easy access to our other consumer websites.

## More Tips and Advice

### MILITARY CONSUMER.gov

For Military and Veterans

Defend yourself against fraud and stay financially secure with tools and resources for service members, veterans and families.

### consumer.gov

Consumer protection basics... plain and simple.

### Order Free Resources

Order free publications for consumers and businesses.

Consumer Advice Scams page

