

Insights

Benjamin Sirota Analyzes Second FTC Antitrust Case Against Facebook

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The U.S. Federal Trade Commission's (FTC) second attempt at alleging Facebook of antitrust violations is already affecting the legal landscape. Kobre & Kim's Benjamin Sirota, who focuses on government enforcement defense and is a former federal antitrust prosecutor, analyzed the new case when he spoke with *Bloomberg Law*.

The FTC's first attempt was dismissed for failure to establish Facebook had a monopoly in social networking. Now, the agency is back with more details, including how in 2018, despite the news that Facebook sold user data to Cambridge Analytica, the social network did not lose many active users. "The FTC's theory is that one would expect that if it didn't have market power, people would shift to competitors," Mr. Sirota analyzed. "The FTC is depicting the degradation in privacy as confirmation essentially that Facebook has market power."

Furthermore, the additional details in the FTC's complaint are bolstering private antitrust and privacy lawsuits against Facebook. "You could see some privacy lawsuits already out there try to make use of this case and reference the government's statements about privacy," Mr. Sirota said. Referencing class actions alleging Facebook concealed the way it harvested and sold data, he explained, "You could see plaintiffs try to leverage connections between their case and the FTC's complaint to show the government is alleging there are privacy problems that have a competitive dimension."

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