Chair Khan:

Good morning, this meeting will come to order. We are meeting in open session today to consider several items before the commission. Though we will be voting on these items, please note that this will not be a deliberated meeting. Once the meeting has concluded, we will remain online for an open forum during which we will hear from members of the public on their thoughts regarding the work of the commission generally and any relevant matters that they wish to bring to the commission's attention.

Turning now to the business of the commission. The first item on the agenda is a proposed policy statement on the Health Breach Notification Rule. The global pandemic has hastened the adoption of virtual health assistance, with Americans placing their trust in various technologies to track and manage their personal health. As we have seen however, digital apps are routinely caught playing fast and loose with user data, leaving user sensitive health information susceptible to hacks and breaches.

Given the rising prevalence of these practices, it is critical that the FTC use its full set of tools to protect Americans. In 2009, Congress instructed the FTC to issue a rule protecting the public from breaches of personal health data. This Health Breach Notification Rule is among a small set of privacy laws covering users' health information and requires vendors of unsecured identifying health information to notify users, the FTC, and in some cases, the media if there is an unauthorized disclosure. Although the rule was first issued over a decade ago, the commission has not yet brought any enforcement actions under it.

While users have been adopting health apps at a rapid rate, the commercial owners of these apps too often fail to invest in adequate privacy and data security, leaving users exposed. For example, one recent peer reviewed study found that these health apps suffer from serious problems ranging from insecure transmission of user data, including geolocation, to unauthorized dissemination of data to advertisers and other third parties in violation of the app's own privacy policies. In my view, these problems stem in part from a gap. Health apps are generally not covered by HIPAA, and some may mistakenly believe that they are not covered by the commission's rule.

Today, we are hoping to clarify that the Health Breach Notification Rule applies to connected health apps and similar technologies. Notably, the rule does not just apply to cybersecurity, intrusions or other nefarious behavior. Incidences of unauthorized access also trigger notification obligations under the rule. It is particularly important to note that the rule extends to evolving technologies, an interpretation that I believe is a logical reading of its language. Contrary to some suggestions, today's statement is entirely consistent with, and in fact serves to clarify the FTCs earlier guidance. Consistent with that guidance, health apps that are capable only of collecting data from users directly, in other words, apps that are not capable of drawing data from multiple sources, are not covered by the rule.

I will also note that there is no notice of proposed rule making pending on this rule. We have solicited comments as part of our general periodic review and have reviewed those comments as part of our analysis here. Violations of the rule carry civil penalties of $43,792 per violation per day, and the commission should not hesitate to seek significant penalties against developers of health apps and other technologies that ignore its requirements.

Lastly, I believe that our efforts to protect Americans from abusive data practices must extend beyond this rule. While this rule imposes some measure of accountability on technology firms that

abuse our personal information, a more fundamental problem is the commodification of sensitive health information where companies can use this data to feed behavioral ads or power user analytics. Given the growing prevalence of surveillance based advertising, the commission should be scrutinizing what data is being collected in the first place and whether particular types of business models create incentives that necessarily place users at risk. In the meantime, I believe it's vital that the commission used the full suite of its authorities to protect Americans from abusive data practices.

Accordingly, I move that the commission issue the policy statement on Health Breach Notification Rule as circulated by the office of the secretary on September 1st in matter number P205405. Is there a second?

Speaker 1:

I second.

Chair Khan:

I will now turn to my other fellow commissioners to share any remarks before this item is moved for a vote. Commissioner Phillips. Commissioner Phillip, you're on mute.

health information that may not be covered by HIPAA. This is especially useful for investors and honest businesses looking to make sure they're compliant with the law. I support this effort and I look forward to continuing our work with the department of health and human services to safeguard our most sensitive health data, and I'm pleased we'll be taking steps to ensure that data protection laws passed by Congress are faithfully administered and actually enforced. Thank you, Madam Chair.

Chair Khan:

Thank you, Commissioner Chopra. Commissioner Slaughter.

Commissioner Slaughter:

Thank you, Madam Chair. As the chair noted earlier and my colleagues have recognized, health apps have been gaining a foothold in the market for years, but they have exploded in popularity during the course of the pandemic, offering services ranging from diet and fitness to mindfulness and sleep. These apps collect and track sensitive, personal information across multiple aspects of our lives. Mental health apps have been one area of particular growth during the pandemic. One UK digital provider reported a 7500% increase in searches for health apps related to the prevention of self harm arm, 176% increase for apps dedicated to the management of depression and an 86% increase in searches for mental health apps for the treatment of anxiety. While digital mental health tools can be promising if they connect users with evidence-based resources, they also present high risks because you users seeking mental health resources are often sharing information that is especially sensitive and personal. The same can be

keep it way too long, share it far too widely and use it in problematic ways. The FTC must lead a market shift toward data minimalism. Thank you, Madam Chair.

Chair Khan:

Thank you, Commissioner Slaughter. Commissioner Wilson.

Commissioner Wilson:

Thank you, Madam Chair. Sp paradox is a repeating theme in antitrust law. In 1978, Judge Bork published his book, The Antitrust Paradox. In 2017, our chair published her law review note titled Amazon's Antitrust Paradox. And now, in 2021, we have the FTCs transparency paradox. We are told that our new leadership values transparency and public input. Unfortunately, the majority repeatedly has chosen to undermine transparency and limit public input. At our open commission meeting in July, the majority voted to revise our rules of practice so that in rule making going forward, public input will be more limited. The majority has withdrawn important enforcement guidance without telling the business community what the new rules are. Traditionally, FTC staff have participated in a variety of public speaking opportunities to keep the public informed about our activities, but one of our new chair's first acts was to ban public speaking. And for each open commission meeting that we hold, the public is given the minimum required amount of notice and we hear real time public comments only after we have voted.

Today, the majority is poised to add three more items to the growing list of transparency paradox examples. The first example concerns the policy statement on breaches by health apps and other connected devices. The statement asserts that it serves to clarify the scope of the Health Breach Notification Rule. Understand what the term clarify means here. This policy statement in fact expands the rule while contradicting existing FTC business guidance. You can read about this discrepancy in my dissent that will be posted later today. Moreover, the majority advances this policy U-turn while the agency has an open rule making that covers not just this rule, but precisely the topics addressed by their policy statement. Specifically, at least three of the questions in our federal register notice asked the public for their thoughts on the topics in the policy statement. Rather than taking public input into account though, the majority today apparently will take the matter into its own hands.

Unfortunately, this isn't the first time that our new leadership has made a policy U-turn during the pendency of a directly relevant rule making. Last month, the FTC withdrew guidance on a specific aspect of our merger notification requirements, but we have an open rule making on our merger notification requirements and we solicited public comment on that very aspect of our reporting regime. It's a nuanced issue that we posed two questions with 11 sub parts. The public's input on that issue though is apparently irrelevant.

Another troubling aspect of today's policy statement concerns the majority's decision to announce this sweeping policy change to the Health Breach Notification Rule unilaterally. Given the cross referencing in the relevance statute, the interpretation adopted by the FTC could have implications for the Social Security Administration and Health and Human Services. These agencies possess both significant expertise in the healthcare arena and authority for enforcing related regulatory frameworks, and our unilateral actions may impact entities otherwise subject to our sister agency's jurisdiction.

Let me step back for a minute. I am sympathetic to the majority's goals of providing higher levels of protection to sensitive consumer health data. During my tenure as a commissioner, I have been an ardent advocate for federal privacy legislation. In fact, for months last year after the outbreak of the pandemic, that was essentially my sole focus in my speaking and writing activities. One compelling

More than 79% of the transactions also included deferred or contingent compensation to the target entities' founders and key employees. As the value of the transaction rose, the use of deferred or contingent compensation was more likely. Off the transactions reported, nine additional acquisitions at the time of their consummation would've exceeded the Hart-Scott-Rodino's size of transaction threshold when incorporating the deferred or contingent compensation into their purchase price, in other words, in addition to the 94 transactions already above the size of transaction threshold. Also, more than 75% of the transactions included non-compete clauses for the founders and key employees of the acquired entities. Higher value transactions were more likely to use non-compete clauses, similar to what we observed with deferred or contingent compensation.

Finally, in over 50% of the transactions where the number of the target's full-time non sales employees that was hired by the acquirer was reported, the number of target employees hired by the acquirer, that is by one of the five respondents, was between one and 10 non sales employees. The report provides additional information about these and other findings. Thank you very much.

Chair Khan:

Thanks so much, Leon. And I should note that I also wanted to give a shout out to

Chair Khan:

To Kate Ambrosie for her work on this project as well. So I wanted to share a few brief reactions and then we'll turn it over to my fellow commissioners for the same. So in recent years, the significance of acquisitions by large technology platforms has emerged as a key area of interest for policymakers and scholars. But the analysis has suffered from a key blind spot. The FTC study of over 800 unreported acquisitions by some of the most significant players in digital markets, sheds light on key trends and patterns. I want to thank former chairman Joe Simons for initiating this critical study and acting chairwoman Slaughter for helping steward it as well as our staff for their careful and comprehensive work, analyzing this data and gathering these results.

While the commission's enforcement actions have already focused on how digital platforms can buy their way out of competing, this study highlights the systemic nature of their acquisition strategies. It captures the extent to which these firms have devoted tremendous resources to acquiring startup

compete clauses across the economy, further scrutinizing the use of non-competes and merger agreements will aid this broader work, exploring how firms and digital markets may be using acquisitions to lock up key talents alongside key assets will be a worthy area of study. While the commission should ensure that we use these finding2e rinc in ents ale -3ner 8kents, l63l al1py)4b35em-t4b35s 8t7the]

documents to call and review. And our staff got through all of that information very efficiently. Second, the commission's undertaking this 6B study was an important step in addressing the general problem that the commission does not always know about all of the transactions that it should. That lack of information often has negative consequences for our enforcement mission. When the commission voted unanimously to study non-reportable acquisitions by large tech platforms, it was in attempt to fill some of that information gap and to better understand the number and scope of acquisitions and transactions that were not large enough to meet the reporting threshold at the time they happened and therefore were consummated without any X anti-review.

I think the staff's report reveal how much information the commission had not previously been able to capture. I know that there was some speculation about whether this study would've revealed specific transactions the commission would've liked to know about in order to challenge, but I think that's the wrong question. To my mind, the more significant contribution the study provides is the window into the overall pattern of these firms' acquisitions. My concern has always been that when we simply review acquisitions serially, we may miss the bigger picture patterns of any competitive roll up strategies. I think of serial acquisitions as a Pacman strategy. Each individual merger viewed independently may not seem to have significant impact, but the collective impact of hundreds of smaller acquisitions can lead to a monopolistic behemoth. The study released today helps us understand the bigger picture patterns among the largest tech platforms.

This perspective will help us to better target our enforcement efforts. In addition, the reports we're able to publish about the data we collect provide the public with a better understanding of market patterns and practices. And I would just say, I agree with Commissioner Wilson that this is not the only area where non- reportable transactions can merit examination and could reveal patterns of any competitive rollups that really require our enforcement attention. Finally, I just want to note that I wish we could publish company specific data to help the public better understand specific acquisition strategies and conduct among the different companies in our study, but we're prohibited by statute from releasing that granular information. Still the synthesis of the data we're releasing today is important for researchers, stakeholders and the public. I look forward to the commission further considering how it can deploy its existing authority to address anti competitive patterns of acquisitions. Thank you, Madam Chair.

Chair Khan:

Thank you, Commissioner Slaughter. Commissioner Chopra.

Commissioner Chopra:

Thank you, Madam Chair. And thank you, Leon and the entire team for this presentation on the industry. And I echo my colleagues thanks and commissioner Wilson's comments about the lessons we can draw for other industries as well. When large dominant firms are unable to innovate on their own, it's common for them to focus more attention on how to find those ideas from their smallest competitors. Today's report begins to shed light on how the biggest tech giants, Facebook, Google, Amazon, Microsoft and Apple engage in acquisitions to lock up assets and intellectual property that may someday threaten their dominance. Importantly, the mergers and acquisitions analyzed in the report were not subject to pre-merger notification under our nation's antitrust laws. And more and more of us believe there's a growing case to be made that the Hart-Scott-Rodino act should be amended to ensure that the very largest firms in the economy report more of their M and A activity to the antitrust agencies, including those transactions that may fall below today's existing HSR reporting thresholds.

So Congress granted the FTC the power to issue rules equipping us with the vital tool to protect the public from harmful business practices. Interested members of the public would be able to petition and seek to invoke the FTC's rule-making authorities and recommend actions. The new procedures we're considering would provide clearer guidance to the public on how to file a petition with the commission and what steps the commission will take after receiving a petition. These revised procedure procedures will also help ensure that all interested parties will have effective and meaningful access to the petition process. Each petition for rule making will be publicly made available. Petitioners will be provided an agency point of contact to assist petitioners throughout the process. And petitions will be

Unfortunately, commissioners coming before us pursued a more secretive and less accountable policy when it comes to individuals exercising their first amendment rights. The FTC used to routinely publish the petitions it received to allow for public inspection. Those petitions came on a wide range of concerns. For example, on our website, you can see some of these filed petitions. Commissioners receive petitions on everything from the labeling of cage free eggs, health benefit claims, immigration consulting and more, but in 2011 commissioners largely abandoned the practice of publishing these petitions.

And while we have resumed publication of some of them, we have not done so consistently or in an orderly fashion. In 2019, the new Civil Liberties Alliance, a conservative legal advocacy group petitioned the FTC to pursue a rule making regarding the procedures for defending agency guidance when challenged in court. I remember looking at it. My initial review suggested that the actions requested in the petition may not be the best use of resources, but I thought we should have a consistent policy on how to collect input. At the time I unsuccessfully argued to my colleagues that we should post the petition and solicit comment on it, as well as others that we received consist with the best practices published by the Administrative Conference of the United States, that Commissioner Phillips referenced, rather than what amounted to pretending we never received it at all. And even if we disagree, we shouldn't silence or pretend that something doesn't exist.

The proposed rule changes will reverse the inappropriate practices implemented by our predecessors and allow interested persons to submit petitions for rulemaking. And those that are properly submitted will be posted for public inspection and the public will be allowed to come in. Now, this system is not perfect. Dark money groups funded by regulated entity may submit petitions to undermine us. They may manufacture fake comments as federal agencies have seen in other regulatory proceedings, but that's something we can deal with or we should work on dealing with. But at the end of the day, we need to pursue initiatives like these to loosen the grip that large dominant firms have held at this agency to secretly influence and dictate our agenda.

Small businesses and community groups can't afford to hire high priced FTC alumni with special access and connections to push the agenda of their clients, making every properly filed petition for rulemaking public will level the playing field. This is another important step for the commission to be more transparent, to promote democratic debate and to rebuild trust in this agency. I strongly support this motion and I hope we pass it immediately. We should not delay on this and we can follow up this action with other work to implement other procedures, to enhance transparency. Thank you, Madam

enforcement. And I have heard from many folks that it is very frustrating when they put the time together to develop a complaint that really documents problematic conduct, that it goes into a black box and we have no idea what happens to it. So that's something I would like to offer to my colleagues that I think we should also consider going forward, making sure that we are engaging as thoughtfully and constructively and directly as possible with all of the members of the public who put the time and effort and attention into bringing issues to the agency's attention and creating opportunities for us to do our jobs better. So thank you.

Chair Khan:

Thank you, Commissioner Slaughter. Commissioner Wilson.

Commissioner Wilson:

Thank you, Madam Chair. I am always receptive to hearing from stakeholders. My decisions are more informed when I engage with diverse viewpoints. So I support transparency that fosters opportunities for stakeholders to participate in commission business, but creating a petition machine in which every

work with my colleagues on figuring out a way that the commission can move towards more

Chair Khan:
Commissioner Phillips?

Commissioner Phillips:
I vote yes.

Chair Khan:

simultaneously proposes to impose punitive measures on companies that bring to our doorstep what the majority views as anti-competitive deals. Although today the focus is on vertical merger guidelines, the problem is broader. [inaudible] and the Department of Justice acting assistant attorney general Richard Powers have announced that they are taking a hard look at the horizontal merger guidelines to determine if they are too permissive. So the proposal to withdraw the vertical merger guidelines in a company in commentary provides today's third example of the transparency paradox.

Apart from procedural concerns, I also have substantive concerns. The 2020 vertical merger guidelines reflect accepted economic analysis. The guidelines identify theories of competitive harm that are supported by sound economics. Some commentators have advocated other possible theories, but they were not included in the 2020 guidelines if they were contradicted by empirical evidence. As we were reminded by the district court's opinion addressing the motion to dismiss in Facebook, bald allegations of harm that are not supported will not carry the day. In fact, as a matter of good government, we should not expect them to carry the day. Similarly, the 2020 guidelines in the commentary reflect agency experience. The commentary on vertical merger enforcement cites 40 commission cases from the past 15 years that demonstrate how the analysis described in the vertical merger guidelines is applied.

The vertical merger guidelines also reflect substantial public input. In 2019, the commission held a hearing on vertical mergers. In 2020, the FTC and DOJ published draft guidelines and invited public comment. Then the agencies held a workshop, and substantial changes to the draft guidelines were made in response to both the public comments and input from the workshop. Contrary to assertions, the vertical merger guidelines do not shield vertical deals from antitrust enforcement. In fact, the guidelines identify many ways in which those deals may harm competition. And the 40 cases contained in the vertical merger enforcement commentary demonstrate there's no free path for vertical mergers. But the vertical merger guidelines recognize that there are often efficiencies and beneficial effects that arise from vertical transactions. Those pro-competitive effects may result in lower prices for consumers, so merger analysis should take them into account. Most notable in the vertical context is the elimination of double marginalization, which occurs when a firm does not charge itself a margin on inputs it supplies to itself.

The guidelines note that these efficiencies and pro-competitive effects should be considered, but they make clear the inquiry is fact specific. And the commentary identifies circumstances where those pro-competitive effects would be unlikely. If the vertical merger guidelines are withdrawn because they are deemed by the current majority to be overly permissive, we can expect more vertical deals to be challenged. But it's worth emphasizing, vertical integration is common and less likely to harm consu vertical dealvertical mv43(an)4(c)-2(g)4(u)3(d)5(e7(cur)4(al0)-3(Tcien)3(ci)3(hb(cur)4(12 Tfeaus))-2(g)4(u)3()13(d)3(elin)5(2(app(hbet( )-3i1

motion. I moved that the commission instructs staff to conduct merger investigations in a manner that is consistent with the principles described in the 2010 horizontal merger guidelines and the 2020 vertical merger guidelines until new guidelines are issued.

Commissioner Slader and so many others who will be ready to chart this new path. Thank you, Madam Chair.

Chair Khan:

Thank you, Commissioner Chopra. And Commissioner Phillips.

Commissioner Phillips:

Thank you, Madam Chair. Just a couple of notes in reply to some things my colleagues said. First of all, in response to my friend, Commissioner Slader, neither the guidelines nor agency practice myopically sorts things into either a vertical or horizontal bucket. We routinely review transactions and look at both the horizontal and the vertical aspects. I just want to comment on that. My second brief rejoinder is to Commissioner Chopra, who talks a lot about rigor and market realities. If he believes that efficiencies are not part of how markets develop, I really disagree with that. Firms getting more efficient is how economies grow. It's how they change. It's how they develop. I don't think we should be blind to those market realities either. Okay.

I regret that, once again, a majority of FTC commissioners is pulling the rug out from under honest businesses and the lawyers who wish to advise them, with no real explanation and no sound basis. First, the section five statement, then the policy on prior approval and notice in merger consents, and now the vertical merger guidelines incumbent rate. Once again, with the minimum notice required by law, virtually no public input, and no analysis or guidance, this agency is removing guidance and failing to replace it, reducing clarity in the application of the law. At least as of this morning, as far as I know, the Department of Justice antitrust division is not yet removing the vertical merger guidelines. So now we have two agencies apparently applying different standards. This is bad government. It is bad policy.

I want to explain a few things to members of the public who may not spend their time thinking about antitrust or mergers. Mergers, like the vertical mergers we're discussing today, are one way that companies g

The guidelines serve as a useful guidepost for businesses that seek to ensure their conduct is lawful. Withdrawing them leaves the business community without clarity as to how we will carry out

And I vote yes, the motion passes by a vote of three to two. With that final vote, this concludes the official agency business of the Commission that we are disposing of today, under the Sunshine Act. The meeting is adjourned. I'd like to thank my fellow Commissioners for joining, and I'd like to thank the invited members of the public for their patience and sharing their feedback. The Commission values your input. Today around 17 people have signed up to address the Commission. To ensure that each person has a chance to be heard, we've asked each person to limit their remarks to one minute. And with that, I will turn it over to [Lindsay Krysak] to open it up to the public.

Lyndsay Krysak:

Thank you, Chair Khan. Before we begin, please note that the FTC is recording this event, which may be maintained, used, and disclosed to the extent authorized or required by applicable law, regulation, or order. And it may be made available in whole or part in the public record, in accordance with the Commission's rules. Each memo of the public will be given one minute to address the Commission. Our first speaker is Darren Tucker. Darren?

Darren Tucker:

Good afternoon. I'm a Partner and Chair of the antitrust practice group, Vincent Elkins, and a former FTC attorney. I welcome the Commission's effort to increase transparency through these open meetings.

As some of the Commissioners have expressed today, I do have concerns that other aspects of the FTC's interactions with the public are becoming less transparent. In an increasing number of FTC merger investigations, agency staff have requested information regarding how the proposed transaction will affect unionization, ESG policies, or franchising. Staff have been unable to articulate how these issues relate to the agency's mission to promote competition, leaving the outside world guessing as to

Lyndsay Krysak:

Thank you, Douglas.

Douglas Brooks:

Thank you.

Lyndsay Krysak:

Our next speaker is Andrew Crawford. Andrew?

Andrew Crawford:

Thank you. Chair Khan, Commissioners Phillips, Chopra, Slaughter, and Wilson. My name is Andrew Crawford. I'm a council on the Privacy and Data Project here at the Center for Democracy and Technology. We commend the Commission for highlighting the importance of protecting the public from privacy breaches associated with health apps, along with recent Commission actions taken against the mobile health app that inappropriately shared health information of its users. We believe additional safeguards must be in place to better protect consumer health data, particularly when such data is not subject to HIPAA. To that end, with generous support from the Robert Wood Johnson Foundation, CDT and our partners of the eHealth initiative have collaborated on a consumer privacy framework for health data that we released earlier this year.

Our framework consists of detailed use access disclosure principles and controls for health data that are designed to address data in current legal protections. As a follow-up, we are now focused on how health data privacy protections can address practices that give rise to inequities in treatment and access. Later this fall, we plan to release a new report that discusses these issues and considers ways to improve our existing framework. We hope the standards we've developed and continue to refine will serve as benchmarks to shape industry conduct, influence policymakers and regulators approaches to best protect health data. Thank you.

Lyndsay Krysak:

Thank you, Andrew. Our next speaker is Nicholas Geraldo. Nicholas?

Nicholas Geraldo:

Thank you, and thank you Madam Chair, Commissioners. My name is Nicholas Geraldo and I am a Market Researcher with the Wyoming Small Business Development Center. Through my work helping small business owners throughout the state, I've heard from several of them about shortages of products and materials they need to run their business. For instance, one business owner I spoke with, who makes sauces, cannot find 16 ounce glass jars or metal lids. I spoke with his distributor and discovered that this is not a regional issue, but a national shortage of commercial grade glass models. The client I spoke with was concerned that he may have to shut down his operations because of lack of supply.

I ask that the Commission investigate the supply chain disruption issue, figure out what's happening, and hopefully find a solution so that our small business can remain open, keep workers employed, and contribute to the local economy. Thank you very much.

Lyndsay Krysak:

Thank you, Nicholas. Our next speaker is Laura Marsten. Laura?

Laura Marsten:

Good afternoon, and thank you to the Commission. I'm Laura Marten, a 39 year old DC resident and a patient with Type 1 diabetes. I was diagnosed with Type 1 diabetes 25 years ago in 1996, at 14 years old. Since that time, I've used Humalog insulin by Eli Lilly. The price of one vial of my insulin has gone from $21 to $300 during the past 25 years, the insulin itself is wholly unchanged. The competing insulin by Novo Nordisk, NovoLog, is priced identically to Humalog. In fact, between 2001 and 2016, 22 of 28 price increases on Humalog and NovoLog insulins were by the exact same percentage on the same day and at the same time, leading to the 1,200% increase on my Humalog insulin since 1996.

Please, on behalf of seven million Americans who need insulin to survive, investigate insulin price fixing. Subpoena Eli Lilly, Novo Nordisk, and Sanofi for their unlawful conspiracy to raise the price of insulin to the point where one in four American diabetics now ration insulin to survive. Thank you.

Lyndsay Krysak:

Thank you, Laura. Our next speaker is Michael Rattry. Michael?

Michael Rattry:

Pam Dixon:

Thank you.

Lyndsay Krysak:

Our next speaker is Vimal Patel. Vimal?

Vimal Patel:

Hi, thank you for having me. My name is Vimal Patel and I represent Q Hotels, with some branded hotels in south Louisiana. I want to bring about the issue regarding the franchisers and the vendor kickbacks, which the brand mandates in one sided, unfair business practices, to the point that we had got frustrated that I, myself, had filed a lawsuit against IHG, which the information I have shared with Mr. Chopra's office.

Now with the hurricane and seven hotels that are down and will have to be rebuilt, once again we face challenges again dealing with the franchisors, in regards to vendors and brand mandates, which are going to increase cost, which, with the substandard products, unfair business practices, and dealing with the higher cost, which is going to affect our bottom line more and more. I humbly request the FTC, if they will look into this matter, subpoena the brand, especially like IHG, and open the records of their dealings and brand mandates with the franchisee regarding the vendors. Thank you.

Lyndsay Krysak:

Thank you, Vimal. Our next speaker is John Davidson. John?

John Davidson:

Good afternoon Chair Khan and members of the Commission. The Commission is well aware of the privacy and civil rights harms that data driven commerce has caused, and continues to cause, to millions of individuals across the United States. Today, on behalf of the Electronic Privacy Information Center,

similar to how, in early 2000, you could only send SMS text messages t

companies pursue business strategies aimed at collecting as much data as possible across many jurisdictions. In 2021, we are seeing some challenges to the power of big US based platform, like

Brian Caswell: