

Office of Commissioner Melissa Holyoak

UNITED STATES OF AMERICA **Federal Trade Commission** 

WASHINGTON, D.C. 20580

## **Concurring Statement of Commissioner Melissa Holyoak**

, FTC Matter No. 2223046

July 1, 2024

I support this settlement, because the facts alleged in the complaint give the Commission reason to believe that Arise Virtual Solutions made unsubstantiated earnings claims in violation of Section 5 of the FTC Act<sup>1</sup> and otherwise violated the Commission's Business Opportunity Rule<sup>2</sup> in connection with offering business opportunities to consumers. I write separately with three brief observations.

First, although the facts alleged here indicate that Arise offered a "business opportunity" covered by the Rule, other companies operating in the "gig economy" do not necessarily do so.<sup>3</sup> Chair Khan's statement asserts that this is a good example of the Commission working together with the Department of Labor becheatnhe (t1t)-2 (ht)-59d8(or) tht ttnxaent wth 3.2 (ppo2 (ont1 a)459a6m(ttle)6 2 (e)4d4 (ons)-1 (um)-2 (-2 (s)-1 ( i)a Td[c)4 (-1 ( w)-2 (r)-1 (i)-y 6.1 u)-a5.r2 (orch4 (t)-)6iD)4Er(ha)4 (t)-2 ( t17.4921t)-2Tw - to protect . Other federal agencies may properly address issues pertaining to "workers" as such,<sup>8</sup> whereas the Commission protects , working or otherwise.<sup>9</sup>

Third, the monetary relief in this order is warranted based on the alleged violations of the Business Opportunity Rule. I need not, therefore, consider whether the complaint adequately alleges that the company had "actual knowledge" of law violations by virtue of having received a Notice of Penalty Offenses Concerning Money-Making Opportunities.

<sup>&</sup>lt;sup>8</sup>, 8 U.S.C. § 1188(a)(1). Remarks of Commissioner Melissa Holyoak at the Competitive Enterprise Institute's Annual Summit, Rediscovering Adam Smith: An Inquiry in the Rule of Law, Competition, and the Future of the Federal Trade Comm'n, at 9-10,