

Facebook wants US monopoly suit tossed due to bias

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Chairperson of the Federal Trade Commission Lina Khan (L) with Transportation Secretary Pete Buttigieg as they at the White House July 9, 2021 in Washington, DC.

Facebook on Monday urged a federal judge to toss out a US monopoly

lawsuit, arguing that the regulator behind it has "an axe to grind" and it lacks supporting facts.

Federal Trade Commission chair Lina Khan cast the deciding vote in a decision to amend the case and try a second time, and she should have recused herself, Facebook said in the filing.

FTC commissioners split 3-2 in the decision to refile.

The FTC had denied Facebook's request to disqualify Khan, a long-time critic of Big Tech, who has called for more aggressive actions against the major firms.

"Chair Khan's failure to recuse herself is also an ongoing due process violation that will taint all of the agency's litigation choices," Facebook argued.

"Chair Khan's participation is even more concerning because her public statements regarding Facebook go well beyond the congressional report and reveal that Chair Khan has an 'axe to grind' against the company."

The amended complaint presents no facts establishing that Facebook has monopoly power in what regulators have characterized as a Personal Social Networking Services market, the motion maintained.

"The agency has to take this tack because no [reliable data](#) exists for its contorted PSNS market, which is a litigation-driven fiction at odds with the commercial reality of intense competition with surging rivals like TikTok and scores of other attractive options for consumers," the filing contended.

The amended lawsuit filed in [federal court](#) in August in the US capital said Facebook used "anticompetitive acquisitions" of potential rivals

such as Instagram and WhatsApp to protect its dominance.

"Facebook lacked the business acumen and technical talent to survive the transition to mobile," acting FTC competition bureau chief Holly Vedova said at the time.

"After failing to compete with new innovators, Facebook illegally bought or buried them when their popularity became an [existential threat](#)."

The lawsuit, which could take years to go through the courts without a settlement, calls for the court to order "divestiture of assets," including WhatsApp and Instagram, to restore competition.

The lawsuit comes amid a rising "techlash" against the largest US tech firms, which dominate key economic sectors and have become stronger during the pandemic as more people turn to [online services](#).

In June, US District Judge James Boasberg said in a 53-page opinion that the agency's initial lawsuit lacked evidence, notably in defining the market that Facebook was allegedly monopolizing.

In the new [lawsuit](#), the FTC argued that "personal social networking services are a unique and distinct type of online service," in an effort to counter Facebook's claim that people have numerous choices for connecting with people online.

Facebook filed its motion as the internet titan was plagued by a large-scale outage of its dominant social network for seven hours, and a whistleblower's damning revelations.

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