

The image shows the exterior of the Federal Trade Commission building, a large circular structure with classical architectural features. The building is constructed from light-colored stone or concrete. In the foreground, there are several flowering trees with bright purple blossoms. A semi-transparent green banner is overlaid on the upper portion of the image, containing the title and subtitle in white text.

Federal Trade Commission

Congressional Budget Justification
Fiscal Year 2022

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REBECCA KELLY SLAUGHTER
ACTING CHAIRWOMAN

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

May 28, 2021

The Honorable Shalanda Young
Acting Director, Office of Management and Budget
Executive Office of the President
Washington, DC 20503

Dear Director Young:

This letter transmits the Federal Trade Commission's Budget Request for Fiscal Year 2022, prepared in accordance with OMB Circular A-11.

The FTC is a highly effective independent agency with a unique dual mission to protect consumers and promote competition. For more than one hundred years, the FTC has championed the interests of American consumers. The FTC is dedicated to advancing consumer interests while encouraging innovation and competition in our dynamic economy. To maintain its high level of performance in FY 2022, the FTC is requesting \$389,800,000 and 1,250 FTEs, which is an overall increase of \$38,800,000 and 110 FTEs compared to the FTC's FY 2021 enacted appropriation.

This submission assumes \$13 million in offsetting collections from Do Not Call fees and \$136 million from Hart Scott Rodino (HSR) filing fees under the current fee structure.

As required by Section 1108(c) of Title 31, United States Code, all statements of obligations furnished to the Office of Management and Budget in connection with the Commission's appropriation request for Fiscal Year 2022 consist of valid obligations as defined in Section 1501(a) of that title. I welcome the opportunity for continued dialogue concerning our budget submission.

By direction of the Commission.

Sincerely,

A handwritten signature in blue ink that reads "Rebecca Kelly Slaughter".

Rebecca Kelly Slaughter
Acting Chairwoman

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Budget Request



Budget Request Summary
(\$ in thousands)

Budget by Goal:	Fiscal Year 2021		Fiscal Year 2022		Change	
	FTE	Dollars	FTE	Dollars	FTE	Dollars
Protecting Consumers	612	\$196,590	653	\$208,605	41	\$12,015
Promoting Competition	528	154,410	597	181,195	69	26,785
Total	1,140	\$351,000	1,250	\$389,800	110	\$38,800

Budget by Funding Source:

Offsetting Collections						
HSR Filing Fees		\$150,000		\$136,000		-\$14,000
Do Not Call Fees		19,000		13,000		-6,000
Subtotal Offsetting Collections		\$169,000		\$149,000		-\$20,000
General Fund		182,000		240,800		58,800
Total		\$351,000		\$389,800		\$38,800

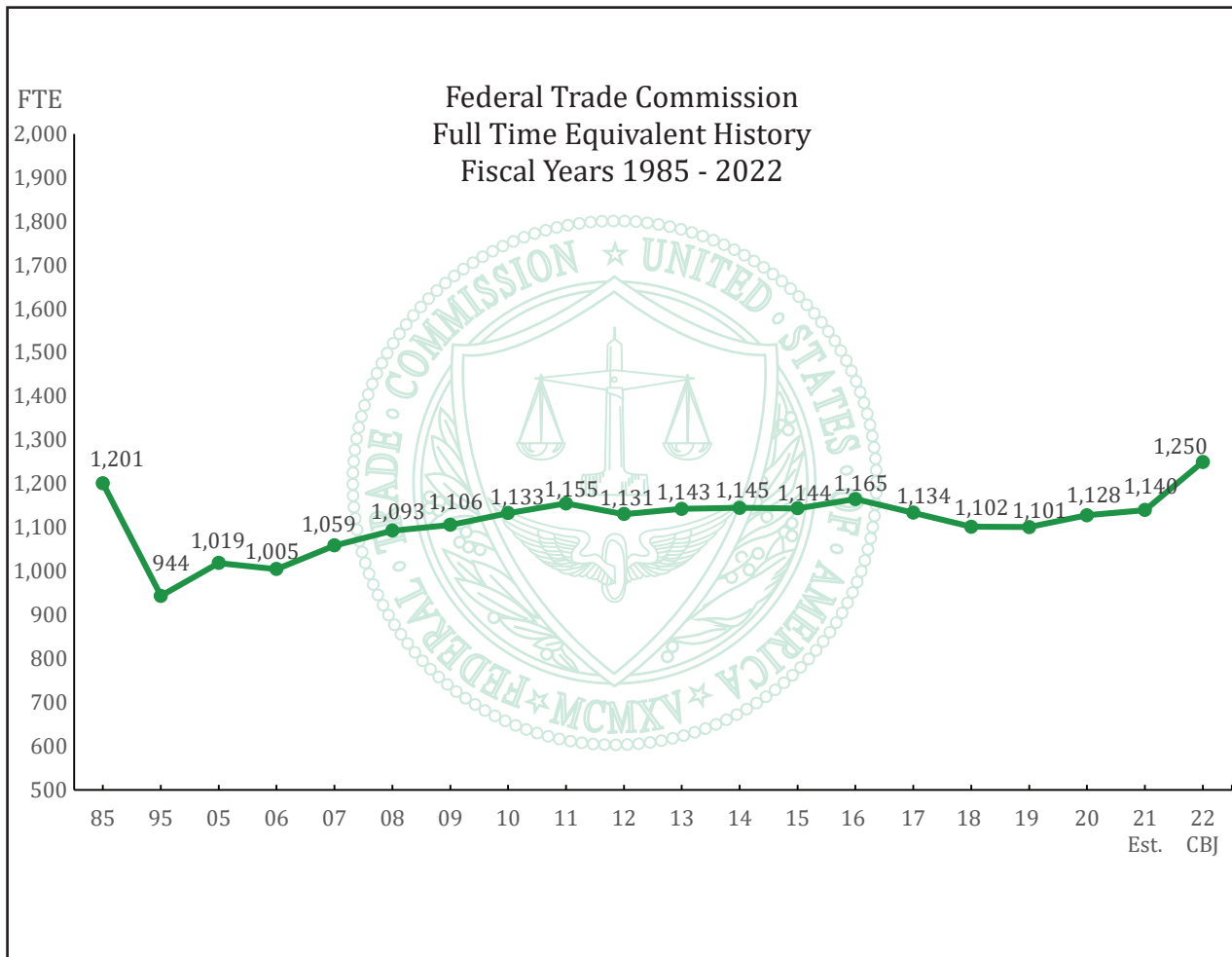
Needed Resources for Fiscal Year 2022

The FTC is an independent agency with a unique dual mission to protect consumers and promote competition.¹ For more than one hundred years, the FTC has championed the interests of Americans. The FTC is dedicated to protecting competition and consumers, particularly as our country recovers from the pandemic. To maintain its high level of performance in FY 2022, the FTC is requesting \$389,800,000 and 1,250 FTE. This is an overall increase of \$38,800,000 and 110 FTE above the FTC's FY 2021 enacted appropriation, and consists of the following:

- Increase of \$18,521,000 for 110 additional FTE:
 - » Thirteen FTE in BCP to support increasing needs in enforcement, privacy, and emerging technologies:
 - (1) Two FTE to address increasingly complex privacy and data security issues;
 - (2) three FTE to ensure effective compliance monitoring and enforcement investigations;
 - (3) two FTE to address emerging technology in the area of marketing practices; and
 - (4) six FTE to enhance BCP's ability to understand quickly evolving technological issues implicated by its casework and keep pace with litigation demands.
 - » Thirty-six FTE in BC to support identifying and challenging anticompetitive mergers and conduct in complex and increasingly pervasive technology markets:
 - (1) Thirty FTE to support the BC litigation divisions with the high level of merger activity and litigation volume;
 - (2) five FTE to increase BC's paralegal workforce to assist in investigations, litigation, and policy projects; and
 - (3) one FTE in the Premerger Notification Office to address increased HSR filing volume.
 - » Eight FTE in the Bureau of Economics (BE) to increase the amount of economic analysis that guides the Commission's consumer protection and competition policies and enforcement.
 - » Ten FTE to support the heavy litigation workload in the regional offices for consumer protection and competition matters.
 - » One FTE in the Office of Policy Planning (OPP) to conduct thorough qualitative and quantitative analysis of antitrust issues on an ongoing basis.

¹ The Supreme Court's recent ruling in *AMG Capital Mgmt. v. FTC*, 141 S. Ct. 1341 (2020), took away our ability to obtain monetary relief in federal court under Section 13(b) of the FTC Act. In doing so, the ruling deprived the agency of its best and most efficient tool for returning money to consumers who suffered losses as a result of deceptive, unfair, or anticompetitive conduct, and we urge Congress to take prompt action to restore this authority.

- » One FTE in the Office of General Counsel (OGC) to advise the Commission, Bureaus, and Offices on legal matters such as jurisdiction, statutory authority, administrative procedure, etc.
- » Four FTE in the Administrative Law Judges' Office (ALJ) to support the agency's increased litigation via administrative complaint proceedings.
- » Ten FTE in the Office of the Executive Director (OED):
- » (1) Three FTE in the Office of the Chief Information Officer (OCIO); (2) two FTE in the Office of the Chief Administrative Services Officer (OCASO); (3) two FTE in the Financial Management Office (FMO); and (4) three FTE in the Human Capital Management Office (HCMO). These additional FTE will serve a variety of functions, such as improving data governance, supporting migration of IT services to the cloud, supporting personnel security, program management, acquisitions and purchase card program support, improving risk management, HR operations and information systems, and evaluating and improving the agency's training programs.



- » Twenty-three FTE to enhance the FTC’s paid internship program. Allocating (additional) FTE to paid internships will enable the FTC to attract a more diverse applicant pool and create a more diverse pipeline for future positions at the agency.
- » Two FTE in the Equal Employment Opportunity and Workplace Inclusion Office to enhance the agency’s capabilities in this area.
- » One FTE in the Office of the Chief Privacy Officer to assist in managing the agency’s continuous privacy monitoring program and privacy threshold analysis for new projects.
- » One FTE in the Office of the Inspector General (OIG) to address increases in investigative activity under the Inspector General’s jurisdiction.
- Increase of \$8,841,700 for mandatory expenses needed to support the agency’s FTE level at FY 2022 costs. Examples of such mandatory expenses include costs to support the anticipated pay raise in FY 2022; costs for upward grade classifications pursuant to 5 C.F.R. 531.401 et seq.; and benefit increases associated with the aforementioned pay adjustments.
- Increase of \$11,437,300 for agency critical non-compensation related investments:
 - Note:** An additional \$10,200,000 was allocated in FY 2021 for competition related expert witness needs due to increased numbers of complex investigations and litigations.
 - » \$1,650,000 needed in BCP, BC and OGC for legal support services that accompany the litigation services cloud platform (Relativity). Services include desktop support, analytics, supplemental labor support, and training.
 - » \$9,787,300 for OED to pay for the overhead costs associated with on-boarding the additional 110 FTEs (e.g. space, IT hardware, software licenses, background investigations, etc.); ongoing costs for hosting and storage of the agency’s new litigation services cloud platform (Relativity); the third phase of migrating agency legacy applications to the cloud; ongoing costs to support the agency’s ePremerger filing system; costs to modernize the agency’s document management processes; increased costs for the lease at Constitution Center; and funding to support classification work and data analysis needed within HCMO, as well as various training initiatives.

APPROPRIATIONS LANGUAGE PROVISIONS

Federal Deposit Insurance Corporation Improvement Act: The Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA) amended the Federal Deposit Insurance Act. As originally enacted, the FDICIA imposed various statutory responsibilities on the FTC that the agency did not have the resources or expertise to perform effectively. Accordingly, since 1992, Congress, with Administration support, has prohibited the FTC from spending funds on some or all of the responsibilities assigned to it under section 151 of the Act.

The requested appropriations language for FY 2022 continues the spending restriction, reflecting legislation enacted in October 2006, which maintains an appropriately narrow role for the FTC under section 151. This role enables the FTC to continue to enforce the provisions requiring non- federally-insured depository institutions to disclose that they do not have federal insurance and that the federal government does not guarantee the depositor will get back his or her money, and retains the implementation ban with respect to “look-alike” provisions.

Other Provisions: The requested appropriations language continues in effect provisions in prior- year appropriation acts that: (1) allow for the purchase of uniforms and hire of motor vehicles; (2) allow for services as authorized by 5 U.S.C. 3109; (3) limit to \$300,000 the amount available for contracts for collection services in accordance with 31 U.S.C. 3718; (4) allow up to \$2,000 for official reception and representation expenses; (5) allow for the collection of offsetting fees; (6) allow for the gross sum appropriated to be reduced as offsetting fees are collected; and (7) allow all funding to be available until expended.

OFFSETTING FEE COLLECTIONS

This submission assumes that total offsetting collections from HSR filing fees and DNC fees will provide the FTC with \$149,000,000 in FY 2022. The FTC assumes the \$240,800,000 difference between offsetting collections and the \$389,800,000 request will be funded through a direct appropriation.

HSR Premerger Filing Fees. This submission assumes offsetting HSR fee collections will provide the FTC with \$136,000,000. These fees are authorized by section 605 of Public Law 101-162, as amended effective February 1, 2001, in the FY 2001 Commerce-Justice-State Appropriations Act (Section 630, Public Law 106-553). The HSR Act requires that fees be split 50-50 between the FTC and the Antitrust Division of the U.S. Department of Justice.

Do Not Call Fees. This submission assumes offsetting collections of \$13,000,000 from DNC fees. These fees, first collected in FY 2003, will be used to maintain and enforce a national database of telephone numbers of consumers who choose not to receive telephone solicitations from telemarketers and to carry out other Telemarketing Sales Rule activities.

Fiscal Year 2022 Overview Statement

HIGHLIGHTS OF FY 2020 ACCOMPLISHMENTS

Protecting Consumers

This fiscal year, in furtherance of the agency's consumer protection mission, the FTC emphasized four key areas to address the challenges consumers face: deceptive claims in advertising and marketing; privacy and data security risks; protecting consumers in the financial marketplace; and fraud targeting specific populations. The FTC applied its resources to investigate and respond to issues arising from the ongoing COVID-19 pandemic. In addition, the FTC continued its longstanding efforts to fight other unfair and deceptive practices, including illegal robocalls. The FTC also enforced its orders against repeat offenders, referring cases to criminal authorities as appropriate.

In FY 2020, the FTC filed 63 complaints in federal district court and obtained 81 permanent injunctions and orders requiring defendants to pay more than \$796.9 million in consumer redress or disgorgement of ill-gotten gains. In addition, cases referred to the Department of Justice (DOJ) resulted in eight court judgments imposing over \$5 billion in civil penalties. Furthermore, the FTC issued 19 new administrative complaints and entered 24 final administrative orders.

In FY 2020, the Commission also issued 23 reports on consumer protection and released 13 new consumer and business education publications.

Stopping Deceptive Advertising and Marketing Practices

- **COVID-19 Response:** Beginning in March 2020, the FTC sent letters to hundreds of companies and individuals warning them to stop making unsubstantiated claims that their products and therapies can treat or prevent COVID-19. Overwhelmingly, companies that received FTC warning letters took quick steps to correct their problematic claims. The FTC sent warning letters to sellers of vitamins, herbs, colloidal silver, teas, essential oils, and other products pitched as scientifically proven coronavirus treatments or preventatives, intravenous (IV) "therapies" with high doses of Vitamin C, ozone therapy, and purported stem cell treatments. The FTC also sent warning letters to marketers of other "treatments," including Chinese herbal medications, music therapy, homeopathic treatments, and even shields claimed to boost the immune system by protecting the wearer from electromagnetic fields. However, there is currently no scientific evidence that these products or services can prevent or cure COVID-19.

The FTC sent warning letters to a number of multi-level marketing companies to remove and address unsubstantiated claims that they or their participants made

about their products' ability to treat or prevent COVID-19 or about the earnings consumers who have recently lost income can make, or both.

The FTC also worked with other federal agencies and foreign counterparts to stop scammers and other unfair and deceptive business practices during the COVID-19 crisis. The FTC and Food and Drug Administration (FDA) sent warning letters to a number of companies allegedly selling unapproved products that may violate federal law by making deceptive or scientifically unsupported claims about their ability to treat or prevent COVID-19.

The FTC and Federal [Communications Commission](#) sent joint letters to companies providing Voice over Internet Protocol (VoIP) services, warning them that routing and transmitting illegal robocalls, including coronavirus-related scam calls, is illegal and may lead to federal law enforcement against them. Separately, the FTC also sent letters to VoIP service providers and other companies warning them that "assisting and facilitating" illegal telemarketing or robocalls related to COVID-19 is against the law. Many of these calls prey upon consumers' fear of the virus to perpetrate scams or sow disinformation.

The FTC and Small Business Administration (SBA) sent warning letters to companies that may have misled small businesses seeking SBA loans as a result of COVID-19. The letters highlight claims by the companies that could lead consumers to believe the companies are affiliated with the SBA, or that that consumers can apply on those companies' websites for loans through the Paycheck Protection Program (PPP) or other programs authorized by the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

The FTC developed a multi-media campaign, complete with a dedicated website (ftc.gov/coronavirus; ftc.gov/coronavirus/es). The site contains a library of more than 80 consumer and business blog posts and scam alerts on topics ranging from relief checks and treatment claims to charity fraud, government imposter scams, and misinformation and rumors. The site also houses robocall recordings, videos on avoiding COVID-19 and Economic Impact Payment scams, social media shareables, infographics, and materials in other languages.

- **COVID-19 Related Claims:** A Rhode Island company, Ponte Investments LLC, and its owner agreed to be permanently prohibited from misrepresenting they are affiliated with the SBA as part of a [settlement](#) resolving FTC charges they misled consumers in the early days of the coronavirus pandemic. The FTC alleged they falsely claimed an affiliation with the SBA and marketed themselves to small businesses as an approved lender under SBA's PPP. According to the FTC, the defendants neither are affiliated with the SBA in any way, nor are they an SBA-authorized lender.

Marc Ching, a California-based marketer of the Thrive supplement consisting of mainly Vitamin C and herbal extracts, agreed to a preliminary order barring him from claiming that it is effective at treating, preventing, or reducing the risk of COVID-19. The proposed preliminary order also bars Mr. Ching, doing business as Whole Leaf Organics, from claiming that three CBD-based products he sells are effective cancer

treatments. In a separate action, an administrative settlement with the FTC bars Marc Ching from continuing to make baseless claims that the supplement Thrive can treat, prevent, or reduce the risk of COVID-19. In addition to barring Ching's false and unsubstantiated health claims, the order also requires Ching to send written notices to customers and retailers of Thrive, clearly explaining that it will not treat, prevent, or reduce the risk of COVID-19. Ching also must tell customers and retailers that CBD-EX, CBD-RX, and CBD-Max will not treat cancer. Finally, the letters must inform customers and retailers of Ching's settlement with the Commission.

The FTC charged Golden Sunrise Nutraceutical, Inc. with deceptively advertising a \$23,000 treatment plan as a scientifically-proven way to treat COVID-19, the disease caused by coronavirus. The FTC sent Golden Sunrise a warning letter in April 2020, warning that it should immediately remove all advertising claims that the products could prevent, treat, or cure COVID-19. The FTC alleges Golden Sunrise continued to market the plan as a COVID-19 treatment. The defendants also have promoted and sold a range of dietary supplements as treatments for cancer and Parkinson's disease, as well as many other different serious health conditions and diseases. Some of the defendants' treatments cost as much as \$170,000 to \$200,000. The FTC alleges they are comprised mainly of various herbs and spices and the health claims are unsubstantiated.

The FTC issued an administrative complaint against Traffic Jam Events, LLC, and its owner, David J. Jeanson II, alleging they deceived consumers with mailers supposedly directing them to obtain federal COVID-19 stimulus benefits, which instead lured them to a used car sale. The complaint also alleges the respondents sent flyers to consumers containing matching numbers indicating that consumers had won a valuable prize. The administrative complaint mirrors a prior federal court complaint, which the Commission voluntarily dismissed to pursue a broader administrative proceeding.

The FTC charged online marketer SuperGoodDeals.com, Inc. and its owner, Kevin J. Lipsitz, with falsely promising consumers next-day shipping of facemasks and other personal protective equipment (PPE) to deal with the coronavirus pandemic. The FTC alleges the company sought to capitalize on the soaring demand for PPE from consumers worried about being exposed to the coronavirus. Beginning in March, SuperGoodDeals' website said PPE was "in stock," and touted "Pay Today, Ships Tomorrow." The FTC alleges it frequently it took weeks for SuperGoodDeals to ship the PPE merchandise customers ordered.

The FTC filed suit against three other online merchandisers for failing to deliver on promises that they could quickly ship products such as face masks, sanitizer, and other PPE related to the coronavirus pandemic. In its case against the operators of the online store Glowwy, the FTC alleges that the company began advertising sanitizer, masks, face shields, and other products online in March, saying the products were in stock and would ship the same day they were ordered. The FTC alleges that, through March, April, and May, the company continued to make explicit promises about shipping dates and times, but consumer complaints show they repeatedly

failed to make good on those promises. Similarly, in its case against the operators of wrist-band.com and other online store fronts, the FTC alleges that the company made numerous promises that face masks, face shields, thermometers, and gloves were “in stock” and “GUARANTEED TO SHIP TODAY” as early as March. However, the defendants allegedly regularly waited weeks to ship products and failed to inform consumers of the delays, in violation of the Mail Order Rule. Finally, the FTC’s complaint against American Screening, LLC alleges that the company, which markets PPE in bulk to local governments, hospitals, and nursing homes, failed to deliver on its promises that items would be shipped “within 24-48 hours” and that products were “in stock” and available to ship. The complaint also alleges the company failed to follow the requirements laid out in the Mail Order Rule for delayed shipments.

- **Deceptive Advertisements:** The University of Phoenix (UOP) and its parent company, Apollo Education Group, agreed to settle for a record \$191 million to resolve FTC charges that they used deceptive advertisements that falsely touted their relationships and job opportunities with companies such as AT&T, Yahoo!, Microsoft, Twitter, and The American Red Cross. Under the settlement, UOP agreed to pay \$50 million in cash as well as cancel \$141 million in debts owed to the school by students who were harmed by the deceptive ads. This is the largest settlement the Commission has obtained in a case against a for-profit school.

The FTC also finalized a settlement with Delaware comparison shopping website LendEDU over allegations that it promoted deceptive rankings of financial products for a fee and posted fake positive reviews of its website. The order requires LendEDU to pay \$350,000 and prohibits LendEDU and its operators from making misrepresentations similar to those alleged in the complaint.

- **Pyramid Schemes:** Multi-level marketer AdvoCare International, L.P. and its former chief executive officer, Brian Connolly, agreed to pay \$150 million and be banned from the multi-level marketing business to resolve FTC charges that the company operated an illegal pyramid scheme that deceived consumers into believing they could earn significant income as “distributors” of its health and wellness products. Two top promoters, Carlton and Lisa Hardman, also settled charges that they promoted the illegal pyramid scheme and misled consumers about their income potential, agreeing to a multi-level marketing ban and a judgment of \$4 million that will be suspended when they surrender substantial assets. The FTC sued the multi-level marketer Neora, LLC, formerly known as Nerium International, LLC, and its chief executive officer, Jeffrey Olson, for allegedly operating as an illegal pyramid scheme and falsely promising recruits they would achieve financial independence if they joined the scheme. The FTC also alleges that defendants deceptively promoted “EHT” supplements as an antidote to concussions and chronic traumatic encephalopathy caused by repetitive brain trauma, as well as Alzheimer’s disease and Parkinson’s disease. The defendants allegedly deceived consumers for more than four years, touting the unproven benefits of taking their EHT supplements, which resulted in sales of more than \$120 million. Additionally, the FTC reached a settlement with two related companies, Signum Biosciences and Signum Nutralogix, that supplied

EHT supplements to Nerium and allegedly helped to deceptively promote Nerium's products. The settlement bars the Signum companies from making baseless claims about EHT or other supplements.

In another case, a federal court granted the FTC's request to temporarily shut down an alleged pyramid scheme known as "Success By Health," and to freeze the assets of the company and its executives. The FTC alleges that Success By Health and its executives James "Jay" Dwight Noland, Jr., Lina Noland, Scott A. Harris, and Thomas G. Sacca are operating a pyramid scheme that uses false promises of wealth and income to entice thousands of consumers to join. The FTC alleges that the defendants have taken more than \$7 million from consumers and pocketed over \$1.3 million for themselves. The FTC also alleges that Jay Noland is violating a 2002 court order stemming from a previous case related to another failed pyramid scheme known as Netforce Seminars.

- **Telemarketing Robocalls:** Globex Telecom, Inc. and an affiliated company will pay a total of \$1.9 million to settle FTC and State of Ohio charges that they facilitated a scheme that peddled bogus credit card interest rate relief, illegally charging consumers millions of dollars. The settlement marks the end of the FTC's first consumer protection case against a VoIP service provider. The FTC and Ohio alleged that Globex provided a company called Educare Centre Services with the means to make calls to U.S. consumers, including illegal robocalls, to market Educare's phony credit card interest rate reduction services that bilked consumers out of millions of dollars.

At the request of the FTC and the Florida Office of the Attorney General, a federal court temporarily halted GDP Network, LLC, an Orlando-based operation, for allegedly blasting consumers with telemarketing cold calls promising to permanently and substantially reduce their credit card interest rates. After duping consumers into believing they were affiliated with the consumer's existing credit card companies or well-known credit card networks such as MasterCard or Visa, the defendants allegedly promised to save them thousands of dollars in credit card interest and enable them to pay off their credit card debt three to five times faster. The agencies allege the defendants charged upfront fees of as much as \$3,995 for their bogus services.

The operators of First Choice Horizon LLC, a Florida-based company that allegedly defrauded financially distressed and often older-adult consumers with deceptive robocalls claiming they could save them money by reducing the interest rates on their credit cards, agreed to settle FTC charges that their conduct was both deceptive and illegal. The order bans the defendants from selling debt relief services and from all telemarketing, along with imposing a more than \$13.8 million judgment, which will be partially suspended based on their inability to pay.

The FTC sent letters to nineteen VoIP service providers warning them that "assisting and facilitating" illegal telemarketing or robocalling is against the law. The letters warn the VoIP service providers that the FTC may take legal action if they assist a

seller or telemarketer who they know, or consciously avoid knowing, is violating the agency's TSR.

- **Data Throttling:** AT&T Mobility, LLC, agreed to pay \$60 million to settle litigation with the FTC over allegations that the wireless provider misled millions of its smartphone customers by charging them for "unlimited" data plans while reducing their data speeds. The FTC alleged that, despite AT&T's unequivocal promises of unlimited data, it began throttling data speeds in 2011 for its unlimited data plan customers after they used as little as 2 gigabytes of data in a billing period. AT&T's alleged practices affected more than 3.5 million customers as of October 2014. The settlement prohibits AT&T from making any representation about the speed or amount of its mobile data, including that it is "unlimited," without disclosing any material restrictions on the speed or amount of data. The disclosures need to be prominent, not buried in fine print or hidden behind hyperlinks.
- **False Health Claims:** The marketers of an electrical nerve stimulation device called Quell agreed to pay \$4 million and to stop making deceptive claims that the device treats pain throughout the body when placed below the knee and is clinically proven and cleared by the FDA to do so. The order bars the marketers of Quell from making such pain-relief claims unless they are true, not misleading, and supported by competent and reliable scientific evidence, and prohibits misrepresentations about clinical proof or the scope of FDA clearance for any device. The order also requires them to turn over up to an additional \$4.5 million in future foreign licensing payments.

The marketers of three supplements called Neurocet, Regenify, and Resetigen-D settled an FTC complaint alleging they deceptively promoted their products to older Americans using false claims that these products could stop pain and treat age-related ailments. The order bars the defendants from making any claims about the health benefits of their products unless they are true and supported by scientific evidence. The order also imposes a judgment of more than \$38.1 million, which is partially suspended after the defendants pay \$1.3 million.

A.S. Research, LLC and its two owners, Stephen J. Young and Michael K. Ledebor, agreed to settle FTC charges by halting the deceptive tactics they allegedly used to mislead consumers into thinking Synovia, a dietary supplement, could treat arthritis and alleviate joint pain. The settlement order imposes a judgment of more than \$4.1 million against the defendants, which will be partially suspended after they pay \$821,000.

NatureCity, LLC, the Boca Raton, Florida-based marketers and sellers of two Aloe vera-based supplements, agreed to settle FTC charges that they deceived consumers with false and unsupported claims that TrueAloe and AloeCran were effective treatments for a range of conditions affecting older Americans, including chronic pain, ulcerative colitis, diabetes, and acid reflux. The order requires the defendants to pay \$537,500, bars them from making false and unsubstantiated health claims, and requires them to disclose any material connection they have with compensated reviewers.

The sellers of a pill called ReJuvination [agreed to pay \\$660,000](#) to settle FTC charges that they deceptively claimed that their product is a virtual cure-all for age-related ailments including cell damage, heart attack damage, brain damage, blindness, deafness, and even aging itself. The orders also prohibit the defendants from making such claims unless they are true and supported by scientific evidence.

Renaissance Health Publishing, a Florida-based company that promoted its Isoprex supplement to older Americans as a miracle cure for pain and joint inflammation, agreed to a settlement with the FTC that bars the company from continuing to make its unproven claims. The order prohibits Renaissance Health Publishing, LLC and its owner James DiGeorgia from making such claims unless they are true and supported by reliable tests or studies and imposes a judgment of \$3.93 million, which will be partially suspended once the defendants pay \$100,000.

The FTC sued ZyCal Bioceuticals and Excellent Marking Results, Inc. (EMR) to stop them from continuing to deceive consumers with false claims that their pills are scientifically proven to alleviate joint pain by growing new bone and cartilage. EMR and its president, Michael McGahee, agreed to a \$3.6 million judgment that will be partially suspended upon payment of \$145,000, and the FTC is proceeding with litigation against ZyCal Bioceuticals and its president James Scaffidi.

The FTC sued the publisher Agora Financial, LLC, for allegedly tricking seniors into buying books, newsletters, and other publications that falsely promise a cure for type 2 diabetes or promote a phony plan to help them cash in on a government-affiliated check program.

- **Deceptive Advertising of Light Therapy Device:** Under a settlement with the FTC, the marketers of a low-level light therapy device called Willow Curve agreed to stop making allegedly deceptive claims that the device treats chronic, severe pain and associated inflammation. This is the FTC's first action to challenge health claims made for a low-level light therapy device. The order imposes a \$22 million judgment against the defendants, which will be partially suspended after company owners Dr. Ronald Shapiro and David Sutton each pay \$200,000.
- **Endorsements and Influencers:** Devumi, LLC and its owner and CEO, German Calas, Jr., agreed to settle the FTC's first-ever complaint challenging the sale of fake indicators of social media influence, which are important metrics that business and individual use in making hiring, investing, purchasing, licensing, and viewing decisions. The FTC alleged Devumi sold fake followers, phony subscribers, and bogus likes to consumers trying to artificially inflate their presence on social media sites including Twitter, YouTube, and LinkedIn. The order includes a monetary judgment of \$2.5 million against Calas, which will be suspended upon payment of \$250,000. The order bans the Devumi defendants from selling or assisting others in selling social media influence to users of third-party social media platforms. The order also prohibits the defendants from making misrepresentations, or assisting others in doing so, about the social media influence of any person or entity or in any review or endorsement of any person, entity, product, or service.

Teami, LLC, a marketer of teas and skincare products, agreed to settle FTC charges that it promoted its products using deceptive health claims and endorsements by well-known social media influencers who did not adequately disclose that they were being paid to promote its products. The FTC alleged that Teami claimed without reliable scientific evidence that their Teami 30 Day Detox Pack would help consumers lose weight, and that its other teas fight cancer, clear clogged arteries, decrease migraines, treat and prevent flus, and treat colds. The FTC's order requires the defendants to have adequate substantiation for weight-loss and other health-related claims, requires that their endorsers tell consumers, clearly and conspicuously, when they have been paid, requires monitoring of endorsers, and includes a \$15.2 million judgment, suspended upon payment of \$1 million to the FTC. This is the FTC's first case to challenge claims made in social media endorsements about the effectiveness of health-related products.

The FTC released a new publication for online influencers that lays out the agency's rules of the road for when and how influencers must disclose sponsorships to their followers. The new guide, "Disclosures 101 for Social Media Influencers," provides influencers with tips from FTC staff about what triggers the need for a disclosure and offers examples of both effective and ineffective disclosures.

- **Made in the USA Claims:** In 2018, the FTC investigated Williams-Sonoma for making deceptive claims that some of its mattress pads were "Crafted in America from local and imported materials," when they were really made in China. Williams-Sonoma quickly corrected the country-of-origin information for the mattress pads, and agreed to comply with the FTC's requirement that it undertake a larger review of its country-of-origin verification process, and the FTC staff issued a letter closing the investigation. In May 2019, the FTC received a report that the company was continuing to disseminate ads and promotional materials, including on its website and in social media, which deceptively claimed certain categories of Williams-Sonoma products were all, or virtually all, made in the United States. Williams-Sonoma Inc. agreed to pay \$1 million and to stop making false, misleading, or unsubstantiated claims that all of its Goldtouch Bakeware products, its Rejuvenation-branded products, and Pottery Barn Teen and Pottery Barn Kids-branded upholstered furniture products are all, or virtually all, made in the United States.

The FTC issued a notice of proposed rulemaking for a Made in USA Labeling Rule. The proposed Rule would prohibit marketers from including unqualified Made in USA claims on labels unless: 1) final assembly or processing of the product occurs in the United States; 2) all significant processing that goes into the product occurs in the United States; and 3) all or virtually all ingredients or components of the product are made and sourced in the United States.

- **False Online Advertisements:** AH Media Group, the operators of an online subscription scheme, agreed to settle an FTC complaint alleging that the defendants duped consumers out of more than \$74.5 million by luring them with supposedly "free trial" offers for cosmetics and dietary supplements, then enrolling them in subscriptions and billing them without their consent. The court orders settling the

FTC's complaint ban the defendants from negative option marketing, in which the absence of affirmative consumer action constitutes consent to be charged for goods or services. The order against Alan Schill and Zanelo, LLC imposes a \$74.5 million judgment, and the order against AH Media and Henry Block imposes a \$67 million judgment. Both orders are partially suspended, and the defendants are required to turn over approximately \$4.3 million.

Online children's education company Age of Learning, Inc., which operates ABCmouse, agreed to pay \$10 million and change its negative option marketing and billing practices to settle FTC charges that it made misrepresentations about cancellations and failed to disclose important information to consumers, leading tens of thousands of people to be renewed and charged for memberships without proper consent. The complaint also alleged the company unfairly billed ABCmouse users without their authorization and made it difficult for consumers to cancel their memberships, preventing consumers from avoiding additional charges.

- **Deceptive Rental Listings:** At the request of the FTC, a federal court ordered the operators of several online rental listings websites to pay more than \$6 million. The order also permanently bans the defendants from offering rental listing services. The FTC alleged Steven and Kevin (Kaveh) Shayan made false and unfounded claims on their WeTakeSection8.com website targeting low-income, disabled, and older adults, including that the site had accurate, up-to-date listings that were approved for Section 8 housing vouchers. In reality, most of the listed properties were either unavailable or did not accept Section 8 housing vouchers.
- **Real Estate Scam:** The FTC halted Utah-based Zurixx, LLC and affiliated companies, which the FTC and Utah Division of Consumer Protection (DCP) allege have used deceptive promises of big profits to lure consumers into real estate seminars costing thousands of dollars. Its advertisements routinely featured endorsements from celebrities and enticed consumers to free events that Zurixx claimed would teach consumers how to make large profits by flipping "using other people's money." The FTC and DCP allege that Zurixx's free event was in fact a sales presentation for its three-day workshops that cost \$1,997. Zurixx presenters told free event attendees that the three-day workshop would teach them everything they need to know to make substantial income from real estate. Presenters at the three-day workshop, however, often described it as merely a "beginner" course, while upselling consumers additional products and services that can cost as much as \$41,297.

The FTC and DCP also sued Nudge, LLC and affiliated companies, alleging they made empty promises about earning money by "flipping" houses, to convince consumers to buy real estate training packages that cost thousands of dollars. Nudge encouraged consumers to attend one of its Preview Events through mailings and infomercials featuring TV personalities from shows like "Flipping Vegas," "Flip Men," "Renovate to Rent," and "Million Dollar Listing Los Angeles." However, these events were mainly sales pitches to get consumers to buy workshops costing more than \$1,000. In its complaint, the FTC alleges that Nudge's revenues from late 2014 to late 2017 alone were more than \$400 million. According to a survey included in the FTC's court

filings, more than 95 percent of consumers who attended Nudge’s seminars paid more to Nudge than they netted in subsequent real estate transactions.

- **Work-from-Home Scam:** EffenAds, LLC, the operators of a work-from-home scheme, and the CEO of their main affiliate marketing network agreed to pay nearly \$1.5 million to settle FTC allegations that they used misleading spam emails to lure consumers into buying work-from-home services. The FTC alleged the defendants tricked more than 50,000 consumers into paying for fake work-at-home opportunities by running ads with made-up news stories and fake celebrity endorsements. The ads promised consumers they could make easy money by posting advertising links on websites, but first required \$97 in upfront fees. Additionally, some consumers lost tens of thousands of dollars after Effen Ads allegedly sold their information to telemarketing companies, which then convinced consumers to buy bogus business coaching and other services.
- **Sham Charities:** Outreach Calling, Inc., a sprawling fundraising operation that allegedly scammed consumers out of millions of dollars agreed to be permanently banned from charitable fundraising along with its owner and others involved in its operation as a result of a lawsuit brought by the FTC and Attorneys General of New York, Virginia, Minnesota, and New Jersey. The complaint alleged that the defendants served as the primary fundraisers for a number of sham charities that were the subject of numerous law enforcement actions. The complaint also alleged that the sham charities claimed to use consumers’ donations to help homeless veterans, retired and disabled law enforcement officers, breast cancer survivors, and others in need. In fact, these organizations spent almost none of the donations on the promised activities. The defendants in the case, who have worked with each other for as long as 30 years, have been subject to numerous law enforcement actions dating back as far as 1996. Under the proposed settlements, the defendants will be required to surrender close to \$900,000.
- **Mail Order Rule Violations:** Online fashion retailer Fashion Nova agreed to pay \$9.3 million to settle FTC charges that it did not properly notify consumers and give them the chance to cancel their orders when it failed to ship merchandise in a timely manner, and that it illegally used gift cards to compensate consumers for unshipped merchandise instead of providing refunds. By law, sellers have to notify customers about shipping delays and offer them the right to cancel with a full refund. Sellers also must give refunds when they do not ship merchandise, not just a gift card or store credit.

Protecting Privacy and Data Security

- **Children’s Online Privacy Protection Act:** HyperBeard, Inc., a developer of popular children’s apps, agreed to pay \$150,000 and to delete personal information it illegally collected from children under 13. The FTC alleged that HyperBeard violated the Children’s Online Privacy Protection Act Rule (COPPA Rule) by allowing third-party ad networks to collect personal information in the form of persistent identifiers to track users of the company’s child-directed apps, without notifying parents or obtaining

verifiable parental consent. Ad networks used the identifiers to target ads to children using HyperBeard's apps.

The FTC held a workshop examining the COPPA Rule in light of evolving business practices and new technology in the marketplace. The FTC held the workshop as part of its review of, and request for public comments regarding, the continued effectiveness of the COPPA Rule, including the 2013 amendments the agency made to the rule. The workshop explored issues including the increased use of Internet of Things devices, social media, educational technology, and general audience platforms hosting third-party child-directed content.

- **Stalking Apps:** The FTC barred Retina-X Studios, LLC, the developers of three “stalking” apps, from selling apps that monitor consumers’ mobile devices unless they take certain steps to ensure the apps will only be used for legitimate purposes. This is the first case the FTC has brought against a “stalking” app. The FTC alleged that Retina-X and its owner, James N. Johns, Jr., developed three mobile device apps that allowed purchasers to monitor the mobile devices on which they were installed, without the knowledge or permission of the device’s user. Retina-X sold more than 15,000 subscriptions to all three stalking apps before the company stopped selling them in 2018. The settlement resolves allegations that these apps compromised the privacy and security of the consumer devices on which they were installed.
- **Consumer Privacy:** In April 2020, federal court approved the record-breaking \$5 billion penalty Facebook Inc. agreed to in 2019 to settle charges that the company violated a 2012 FTC order by deceiving users about their ability to control the privacy of their personal information. The FTC also formally approved the amendments to its 2012 privacy order with Facebook to include the provisions incorporated in the settlement the Commission announced with the social network platform in July 2019. Separately, the FTC issued an Opinion and Order against Cambridge Analytica for deceiving consumers about the collection of Facebook data and compliance with the EU-U.S. Privacy Shield framework. The FTC also granted final approval in December 2019 to a settlement with former Cambridge Analytica CEO Alexander Nix and app developer Aleksandr Kogan, who also worked with Cambridge Analytica, restricting how they conduct any business in the future and requiring them to delete or destroy any personal information they collected from Facebook users.
- **Privacy Conference:** The FTC hosted its fifth annual PrivacyCon event virtually, highlighting the latest research and trends in consumer privacy and data security. PrivacyCon 2020 focused in particular on the privacy of health data collected, stored, and transmitted by mobile apps. Health apps can offer consumers important benefits, including the ability to easily access, organize, and analyze health data from medical records, devices such as blood pressure or heart rate monitors, and information provided by consumers themselves. The data practices of some apps, however, may also pose risks to the privacy and security of consumers’ health data.
- **Identity Theft:** Kohl’s Department Stores, Inc. agreed to pay a civil penalty of \$220,000 to settle FTC allegations that the Wisconsin-based retailer violated the Fair Credit Reporting Act (FCRA) by refusing to provide complete records of transactions

to consumers whose personal information was used by identity thieves. This is the first case the FTC has brought using its authority under Section 609(e) of the FCRA, which requires companies to provide victims of identity theft with application and business transaction records about fraudulent transactions made in their names within 30 days.

The FTC maintains the federal government’s central repository for identity theft complaints. Consumers can file complaints through the agency’s website or by calling a toll-free number (1-877-ID-THEFT). Trained counselors advise identity theft victims about their rights and the remedies available to them under federal law. Identity theft victims can go online to the FTC’s [IdentityTheft.gov](https://www.ftc.gov/identitytheft) website and get a free, personalized identity theft-recovery plan. The one-stop website is integrated with the FTC’s consumer complaint system, allowing consumers who are victims of identity theft to rapidly file a complaint with the FTC and then get a personalized guide to recovery that helps streamline many of the steps involved. Victims can create user accounts, get detailed, custom recovery plans based on their unique experiences, and create the documents they need to alert police, the nationwide consumer reporting agencies, and the Internal Revenue Service (IRS).

Consumers can report identity theft to the IRS electronically through the FTC’s [IdentityTheft.gov](https://www.ftc.gov/identitytheft) website. Tax-related identity theft happens when someone uses a stolen Social Security number to file a tax return and claim a refund. Victims of tax-related identity theft need to file an [IRS Identity Theft Affidavit](https://www.irs.gov/identitytheft), also known as IRS Form 14039, before the IRS can begin to resolve the problem.

Starting in October 2019, many members of the military received access to free electronic credit monitoring, which can help them spot identity theft. In response to a new FTC Rule implementing a 2018 law, the nationwide credit reporting agencies—Equifax, Experian, and TransUnion—are providing free electronic credit monitoring services to active duty service members and National Guard members. Credit monitoring services can alert consumers to mistakes or problems with their credit reports that might stem from the unauthorized use of their personal information to obtain credit.

- **Fair Credit Reporting Act:** The Department of Justice on behalf of the FTC sued MyLife.com, Inc., a California-based purveyor of background reports, alleging that the company has deceived consumers with “teaser background reports” that often falsely claimed to include information about arrest, criminal, and sex offender records, and also engaged in misleading billing and marketing practices. The complaint alleges that MyLife has violated the FCRA by, among other things, failing to maintain reasonable procedures to verify how its reports would be used, to ensure the information was accurate, and to make sure that the information it sold would be used only for legally permissible purposes.
- **Voice Cloning Technologies Workshop:** The FTC held a public workshop to examine voice cloning technologies, which enable users to make near-perfect reproductions of a real person’s voice. “You Don’t Say: An FTC Workshop on Voice Cloning Technologies” examined both the benefits and potential misuses of voice cloning

technologies. For example, voice cloning could be used to enable people who have lost the ability to speak to communicate using technology that simulates a cloned version of their own voice. These same technologies, however, could be misused by scammers to impersonate others.

- **Safeguards Rule Workshop:** The FTC held a virtual workshop seeking input on proposed changes to the Gramm-Leach-Bliley Act's Safeguards Rule, which requires financial institutions to develop, implement, and maintain a comprehensive information security program.
- **Data Portability Workshop:** The FTC held a virtual workshop examining the potential benefits and challenges to consumers and competition raised by data portability. Data portability gives consumers more control over their data, allowing them to move data such as emails, contacts, calendars, financial information, health information, favorites, friends, or content posted on social media from one service to another or to themselves.

Protecting Consumers in the Financial Marketplace

- **Student Loan Debt Relief:** Arete Financial Group, the operators of a student loan debt relief scheme, will pay at least \$835,000 to settle FTC allegations that they charged illegal upfront fees and made false promises to consumers struggling with student loan debt. In its complaint, the FTC alleged that Arete and the other defendants pretended to be affiliated with the Department of Education and deceptively promised loan forgiveness, consolidation, and repayment programs to reduce or eliminate monthly payments and principal balances. Litigation continues against other defendants in the case.

Three defendants in the student loan debt relief scheme, Impetus Enterprise, Inc. agreed to be banned from telemarketing and selling debt relief. A federal court found that Brian Colombana, Impetus Enterprise, Inc., and Fig Tree & Co., LLC deceptively marketed student loan debt relief services to consumers and tricked them into paying illegal upfront fees by promising to reduce or eliminate their student loan debt, and then failed to deliver the promised debt relief. The court entered judgments against the defendants totaling over \$10.7 million.

California-based student loan debt relief companies SLAC, Navloan, and Student Loan Assistance Center and their owner, Adam Owens, agreed to be permanently banned from the debt relief business to settle FTC charges that they falsely promised to lower or eliminate consumers' student loans in return for an illegal upfront fee. The FTC also alleged the defendants failed to disclose that they paid consumers for positive Better Business Bureau reviews. The settlement includes a judgment of \$23.9 million, which is partially suspended after the defendants turn over more than \$470,000 in assets.

A federal court ruled in favor of the FTC in a case against Elegant Solutions, Inc., the operators of student loan debt relief scheme. The court found the operators falsely claimed that consumers' loans would be forgiven or their payments reduced to a specific amount, and that defendants would take over servicing of consumers' loans

and apply most or all of consumers' monthly payments to pay down their student loans. The defendants then charged consumers hundreds to thousands of dollars in illegal upfront fees. The defendants also obtained consumers' student loan credentials to log in and change consumers' contact information, effectively hindering or entirely preventing consumers' loan servicers from communicating with consumers. The final order permanently bans the defendants from the telemarketing and debt relief businesses and imposes a \$27.6 million judgment.

- **Deceptive Debt Collection Practices:** Global Asset Financial Services Group, LLC, the operators of a scheme that conned consumers into paying non-existent debts, agreed to be permanently banned from the debt collection business and from misleading consumers about debt. The settlements also include monetary judgments totaling approximately \$25.5 million. Most of the judgments are suspended due to the defendants' inability to pay, except for a \$3.1 million judgment against one of the defendants' companies, Regional Asset Maintenance, LLC.
- **Deceptive Mortgage Relief Services:** A federal court ruled in favor of the FTC in the case against Consumer Defense, LLC and imposed an \$18.5 million judgment against the defendants. The order also includes a permanent ban from the debt relief business and a ban from misleading consumers about the terms of other financial services they may offer, as well as from making misleading claims in advertisements. The defendants operated a scheme that deceived financially distressed homeowners by falsely promising to make their mortgages more affordable. The defendants also charged consumers illegal advance fees and unlawfully told consumers not to pay their mortgages to or communicate with their lenders.
- **Payday Lending:** The FTC charged a payday lending enterprise with deceptively overcharging consumers millions of dollars and withdrawing money repeatedly from consumers' bank accounts without their permission. According to the FTC, the eleven defendants, through Internet websites and telemarketing, and operating under the names Harvest Moon Financial, Gentle Breeze Online, and Green Stream Lending, used deceptive marketing tactics to convince consumers that their loans would be repaid in a fixed number of payments. In fact, in many instances, the FTC alleges, consumers found that long after the promised number of payments had been made, the defendants had applied their funds to finance charges only and were continuing to make regular finance-charge only withdrawals from their checking accounts.
- **Payment Processors:** First Data Merchant Services, LLC (First Data), one of the biggest payment processing companies, and its former executive agreed to pay more than \$40.2 million to settle FTC charges they knowingly processed payments and laundered, or assisted laundering of, credit card transactions for scams that targeted hundreds of thousands of consumers. The FTC alleged First Data ignored repeated warnings from employees, banks, and others that Chi "Vincent" Ko, through his company that served as an independent sales agent for First Data, was laundering (with First Data assisting and facilitating) payments for companies that were breaking the law over a number of years.

Qualpay, Inc., a payment processor that allegedly ignored clear warning signs its client was operating an unlawful business coaching and investment scheme, agreed to a settlement banning it from processing payments in the business coaching field and to a suspended judgment of \$46.8 million. According to the FTC, for years Qualpay processed payments for MOBE, a scheme the FTC alleged charged consumers hundreds of millions of dollars for worthless business coaching products, and ignored numerous signs that MOBE was a fraudulent business.

Madera Merchant Services, LLC, a rogue payment processor, agreed to a permanent ban from payment processing to settle charges by the FTC and State of Ohio that it unlawfully processed payments for multiple scam operations. The settlement also includes a monetary judgment of more than \$8.6 million, which is mostly suspended upon the surrender of the contents of a number of bank accounts, along with defendants' personal property.

- **Credit Card Laundering:** A Canadian company, RevenueWire, and its CEO, Roberta Leach, agreed to pay \$6.75 million to settle FTC charges they laundered credit card payments for, and assisted and facilitated, two tech support scams previously sued by the FTC. According to the FTC, RevenueWire entered into contracts with payment processors to obtain merchant accounts to process credit card charges for its own sales of eBooks and software. The contracts prohibited RevenueWire from submitting third-party sales through its merchant accounts. In reality, RevenueWire used its accounts to process credit card charges and collect payments from consumers on behalf of ICE and Vast, two companies that allegedly used tech support scams to bilk consumers out of millions of dollars.
- **Fake Credit Repair Scheme:** Grand Teton Professionals, the operators of a bogus credit repair scheme, agreed to be banned from the credit repair business and subject to a wide array of other requirements under settlement terms with the FTC. The FTC alleged the defendants charged illegal upfront fees and falsely claimed to repair consumers' credit. The three settlement orders entered in the case also impose judgments of approximately \$13.8 million that will be partially suspended upon payment of bank, investment, merchant, and cryptocurrency accounts.
- **Rent-to-Own Scheme:** Progressive Leasing, a company that markets rent-to-own payment plans in tens of thousands of retail stores nationwide, agreed to pay \$175 million to settle FTC charges it misled consumers about the true price of items purchased through its plans. The FTC alleged advertisements and salespeople promoted 90-day "same as cash" prices to entice consumers to buy from stores using Progressive Leasing as the form of payment. However, according to the FTC, consumers usually wound up paying much more than the ads and salespeople told them they would.
- **Income Falsification:** Tate's Auto Center, a group of auto dealerships in Arizona and New Mexico, must cease business operations as part of a court-approved settlement resolving FTC charges that the dealerships deceived consumers and falsified information on vehicle financing applications. The settling defendants are currently in Chapter 7 bankruptcy proceedings and are under the control of a bankruptcy trustee.

The settlement includes a monetary judgment of \$7.2 million against the defendants and makes the Commission an unsecured claimant in the bankruptcy proceedings.

- **Hidden Fees:** The FTC filed suit against Fleetcor Technologies, a company that sells fuel card services to businesses, and its CEO Ronald Clarke, for allegedly charging customers at least hundreds of millions of dollars in hidden fees after making false promises about helping customers save on fuel costs. The complaint outlines a broad array of fees that the defendants have charged customers in ways that customers did not detect. The fees, despite the defendants' promises, often have been charged on a per-transaction basis or have been required for membership in FleetCor's programs.
- **Accuracy in Consumer Reporting Workshop:** The FTC and Consumer Financial Protection Bureau hosted a public workshop to discuss issues affecting the accuracy of both traditional credit reports and employment and tenant background screening reports. The workshop brought together stakeholders, including industry representatives, consumer advocates, and regulators, for a wide-ranging public discussion on the many issues impacting the accuracy of consumer reports.

Protecting Every Community

- **Scams Targeting African American and Hispanic Consumers:** New York City car dealer Bronx Honda and its general manager, Carlo Fittanto, agreed to pay \$1.5 million to settle FTC charges they discriminated against African-American and Hispanic car buyers and engaged in numerous other illegal business practices. According to the FTC's complaint, the defendants told salespeople to charge higher financing markups and fees to African-American and Hispanic customers. The defendants told employees that these groups should be targeted due to their limited education, and not to attempt the same practices with non-Hispanic white consumers. The complaint alleged that African-American consumers were charged about \$163 more in interest than similarly situated non-Hispanic white consumers, while Hispanic consumers were charged about \$211 more in interest.

Scams Targeting Older Americans: The FTC released the report, "Protecting Older Consumers 2018-2019: A Report of the Federal Trade Commission," outlining the FTC's research, law enforcement, and education efforts aimed at protecting older consumers. The report shows that adults aged 60 and older are less likely to report losing money to fraud than younger adults, but the amount of money they report losing is on the rise. Protecting older consumers in the marketplace is one of the FTC's top priorities. In conjunction with the report, the FTC released a new [interactive infographic](#) that allows the public to look at the FTC's data about how fraud affects consumers of various age groups. This new graphic shows differences in reports and losses, as well as the top categories of frauds reported by various age groups.

Fighting Other Fraud

- **Investment Schemes:** Online Trading Academy will be required to offer debt forgiveness to thousands of consumers who purchased its "training programs," while the company's founder and other individuals will together pay between \$5 and \$9.1

million and turn over assets under the terms of a settlement with the FTC that is expected to result in more than \$10 million to benefit injured consumers. The FTC sued California-based investment training scheme Online Trading Academy (OTA) for allegedly using false or unfounded earnings claims to sell “training programs” costing as much as \$50,000. OTA collected more than \$370 million from consumers nationwide within the last six years. According to the FTC, OTA misrepresented that it had a patented “strategy” that anyone can use to generate substantial income from trading in the financial markets. However, OTA did not track the trading results of its customers, and the FTC alleged that OTA’s own surveys indicate that its customers were not making the type of income OTA advertised. Trading data from a platform used by OTA customers also suggested that the vast majority of OTA’s customers did not make any money, and many lost money on top of the money they paid OTA.

- **Government Imposter Scams:** Corporate Compliance Services, the operators of a scheme that targeted new businesses across the country with bogus threats of government fines, agreed to pay \$1.2 million and to a ban from sending unsolicited direct mail under a settlement with the FTC and the State of Florida. The FTC and the State of Florida alleged that Thomas Henry Fred, Jr., and three companies that he owns, sent thousands of businesses mailers designed to look like invoices from a government agency for labor law posters. The defendants’ mailers directed businesses to pay \$84 for labor law posters and threatened that, “Failure to comply with posting regulations can lead to fines of up to \$17,000.” Such posters are available for free from government agencies. Separately, at the request of the FTC, a federal court halted On Point Global LLC, a scheme in which the defendants operated hundreds of websites that promised a quick and easy government services, such as renewing a driver’s license, or eligibility determinations for public benefits. Following an evidentiary hearing, the court held that the FTC was likely to prevail in proving that “the websites were patently misleading.”
- **Business Opportunity Scams:** The key perpetrators of a massive international business coaching scheme known as My Online Business Education (MOBE) agreed to surrender millions of dollars in assets as part of settlements with the FTC. The FTC alleged that MOBE, a Malaysian company, lured consumers to join its online coaching program by promising a pathway to online entrepreneurship and vast riches on the Internet, but then charged these consumers tens of thousands of dollars for worthless program membership upgrades. The order against MOBE founder Matthew Lloyd McPhee includes a permanent ban from selling business coaching programs and investment opportunities, along with a requirement to surrender more than \$16 million from his personal and company accounts, along with his foreign real estate interests. In another order, the estate of deceased defendant Russell Whitney surrendered more than \$1.3 million held in Whitney’s various accounts to the FTC.

Separately, a group of affiliate marketers who allegedly lured consumers into the MOBE scheme agreed to surrender more than \$4 million to settle FTC charges. The FTC alleges the affiliate marketers made millions of dollars in commissions by enticing thousands of consumers to pay as much as \$60,000 for MOBE “mentoring”

services, using false claims and misleading testimonials about how much money they could make. The defendants advertised on social media, YouTube, online news sites, and at live events, specifically targeting teenagers, students, and older consumers.

In another case, Position Gurus, LLC and Top Shelf Ecommerce, the operators of a business coaching scheme, agreed to settle FTC charges that they targeted consumers who were trying to start new businesses online and used deception to sell them bogus marketing products and services. The settlement orders impose judgments ranging from \$11.1 million to \$16.3 million and are partially suspended upon payment of approximately \$1.2 million.

- **Scams Targeting Small Businesses:** Production Media Company, the Ferraro Group Corp., and their owner agreed to settle FTC charges that they deceptively pitched “exclusive” advertising placements to small businesses and misled them about when the ads would be printed and distributed. The settlement order bans the defendants from the deceptive conduct and imposes a \$22.2 million judgment that will be partially suspended upon payment of \$100,000.

The FTC filed a complaint against two New York-based companies engaged in small-business financing, along with several of their owners and officers, for allegedly using deception and threats to seize personal and business assets from small businesses and other organizations. The FTC alleges that RCG Advances, LLC, formerly known as Richmond Capital Group, LLC, and also doing business as Viceroy Capital Funding and Ram Capital Funding, deceived small businesses and other organizations by misrepresenting the terms of merchant cash advances they provided, and then used unfair collection practices, including sometimes threatening physical violence, to compel consumers to pay. The FTC also alleges that the defendants have made unauthorized withdrawals from consumers’ accounts.

The FTC filed a complaint against Yellowstone Capital LLC, a leading provider of merchant cash advances, for allegedly using deception to lure small business customers, then regularly withdrew money from their accounts without consent even after the customers had repaid the money they owed. Merchant cash advances are a form of financing in which the defendants provide money to a small business up front in exchange for a larger amount repaid through daily automatic payments. The FTC alleged that Yellowstone regularly withdrew hundreds or thousands of dollars from businesses’ accounts for days after customers had repaid the full amounts owed in their contracts. In some cases, Yellowstone would only refund this money when businesses complained, and even then, the refunds could take weeks or months, leaving small businesses without needed cash on hand. In April of 2021, Yellowstone Capital agreed to pay more than \$9.8 million to [settle](#) these allegations

- **Unauthorized Billing:** Transact Pro, a Latvian payment processor, and its former CEO, agreed to a \$3.5 million judgment to settle FTC charges that they engaged in unlawful conduct that enabled a deceptive “free trial” offer scheme by the U.S.-based Apex Capital defendants. Last year, the Apex Capital defendants agreed to a settlement that included surrendering assets valued at between \$3 million and \$6 million. Separately, the FTC sued the operators of a Pennsylvania-based telemarketing

scheme, American Future Systems, Inc., for allegedly charging organizations such as businesses, schools, fire and police departments, and non-profits for books and newsletter subscriptions they never ordered. The FTC's complaint also names the defendants behind a New York-based debt collection operation, International Credit Recovery Inc., alleging that they illegally threatened the organizations if they failed to pay for the unordered merchandise.

- **Contact Lens Rule:** The FTC announced the approval of a final rule amending the agency's Contact Lens Rule, which facilitates shopping for contact lenses by requiring prescribers to automatically provide a copy of a patient's prescription to the patient and to verify or provide prescriptions to third-party sellers. The final rule requires prescribers to request that their patients confirm that they have received their prescription, and allows flexibility in the way the prescription and confirmation are provided.

Order Enforcement and Criminal Referrals

The FTC continues to place a priority on aggressively enforcing its orders against repeat offenders and refers matters to criminal authorities as appropriate.

- **Contempt Cases:** The FTC won a \$120.2 million judgment against the primary Sanctuary Belize defendants, successfully putting an end to the largest land fraud in FTC history. The defendants, including Andres Pukke (the primary defendant in the Ameridebt case), sold lots in a purported luxury development in remote southern Belize to U.S. retirees. In truth, the development was little more than jungle with few, if any, amenities. After a four-week trial, the court held all of the trial defendants liable on all counts in the de novo action; found judgment in the amount of \$120.2 million; found Pukke and his business partner in contempt for violations of the Ameridebt order; and stated that Pukke will receive a complete real estate ban and a telemarketing ban, while the other defendants will receive telemarketing bans and partial real estate bans.

The FTC and State of Maine filed a contempt action against Health Research Laboratories, LLC, Whole Body Supplements, LLC, and their owner Kramer Duhon for allegedly continuing to promote dietary supplements using unproven claims that they can treat and cure diseases, in violation of a 2018 FTC settlement order. The contempt motion states the defendants violated the order by claiming, without the required scientific evidence, that their Ultimate Heart Formula, BG18, and Black Garlic Botanicals supplements could treat, cure, or mitigate cardiovascular disease, atherosclerosis, and hypertension.

The FTC obtained a final order against Jasjit "Jay" Gotra, the founder and CEO of Alliance Security Inc. (Alliance), which the agency charged with causing more than one million calls to numbers on the National Do Not Call (DNC) Registry. The complaint also alleged that Alliance performed illegal credit inquiries on unsuspecting potential customers. The order bans Gotra from nearly all outbound telemarketing, prohibits him from violating the FCRA, and bars him from misrepresenting his affiliation or association with any other business. It also imposes

a \$9.85 million civil penalty, of which Gotra will pay \$88,000, based on his limited financial resources. According to the FTC, Gotra and Alliance are repeat offenders and settled similar FTC allegations in a 2014 court order when they were known as Versatile Marketing Solutions, Inc.

Supplement marketer NutraClick LLC and its two officers agreed to pay \$1.04 million and be banned from negative option marketing in order to settle FTC allegations that the company's deceptive sales and billing practices violated federal law and a 2016 federal court order from a prior FTC case. According to the FTC's complaint and proposed contempt order, NutraClick and the other defendants violated the Restore Online Shoppers' Confidence Act, the FTC's Telemarketing Sales Rule, and the previous court order, by failing to clearly and conspicuously disclose all material terms of their negative option sales offers, despite agreeing to do so in the 2016 order. The \$1.04 million that the defendants will pay under the settlement represents 100 percent of the consumer harm they caused, as well as the total revenue made through their allegedly deceptive conduct.

- **Criminal Referrals:** The FTC continues to refer egregious violators to criminal law enforcement agencies for prosecution. In FY 2020, FTC staff actively worked on 163 new formal requests for cooperation from our criminal law enforcement partners, including 84 federal, 67 state, and 12 local requests. Prosecutors relied on FTC information and support to charge 39 new defendants and obtained 24 new pleas or convictions. Fifteen defendants received sentences totaling 495 months. Two of these defendants, Canadian nationals Mark El Bernachawy and Clifford Kirstein, were sentenced after extradition to the United States for conning older Americans by impersonating their grandchildren over the telephone and asking for financial help. Two other defendants, Aminullah Sarpas and Samuel Bain, were prosecuted for operating an advance fee mortgage modification scam and received prison sentences of 12 years and 5 years, respectively.

Economic Research and Outreach

In addition to conducting analysis on the economic effects of consumer protection enforcement actions, the FTC conducts research and outreach on the economics of consumer protection more generally. In October 2019, the Bureau of Economics published the results of its most recent comprehensive survey examining the prevalence of mass-market consumer fraud, how it is perpetrated, and what factors are associated with a greater likelihood that a consumer may fall victim to fraud. In November 2019, the Commission hosted its Twelfth Annual Microeconomics Conference, convening researchers, regulators, and others to discuss antitrust and consumer protection policy issues that FTC economists encounter in their work.

International Consumer Protection

Strong cross-border cooperation is critical to effective law enforcement. Despite challenges due to COVID-19, in FY 2020, the FTC's Office of International Affairs (OIA) assisted with numerous consumer protection investigations, litigations, and enforcement-related projects. OIA also continued to develop strong bilateral relationships with foreign

consumer, privacy, and law enforcement authorities around the globe and represented the agency in international organizations and enforcement networks on a range of complex global consumer policy and enforcement issues, online frauds, digital advertising, and privacy and data security.

- The FTC cooperated with a wide range of foreign agencies and multilateral organizations on 34 enforcement-related investigations, cases, and projects and worked closely with international counterparts on several significant enforcement actions involving large-scale international frauds. These include the FTC's litigation against a sprawling international scheme, On Point Global LLC, which operated hundreds of websites that promised consumers a quick and easy government service, such as renewing a driver's license, or eligibility determinations for public benefit, but did not deliver the promised benefits. The agency also took action against Revenue Wire and its CEO, which paid \$6.75 million to settle charges they laundered credit card payments for, and assisted and facilitated, two tech support scams previously sued by the FTC, and filed a lawsuit against a Canadian-based operation, Educare Centre Services, Inc., that sold sham credit card interest rate reduction services to U.S. consumers through Dominican Republic-based telemarketers and also used a Canada-based VoIP provider. In these and many other matters, the FTC used its authority under the U.S. SAFE WEB Act (SAFE WEB) to share information or provide investigative assistance to foreign authorities.
- The FTC also expanded its online tools for sharing data about international scams, launching [two new, interactive dashboards](#) providing details about international complaints submitted to Consumer Sentinel as well as [econsumer.gov](#), a site created by members of the International Consumer Protection and Enforcement Network (ICPEN) to gather and share consumer complaints about international scams. These complaints help inform the FTC's enforcement efforts. For example, the agency received hundreds of complaints from consumers located in Canada and more than fifty other countries (in addition to thousands from U.S. consumers) against online retailer Fashion Nova for its ecommerce practices. The company paid \$9.3 million to settle the FTC's allegations that it failed to notify customers about shipping delays and offer them the right to cancel with a full refund—not just a gift card or a store credit.
- The agency also worked closely with our foreign counterparts on COVID-19 matters, including by sharing information and consumer education on COVID-19 scams with international consumer networks such as ICPEN, the International Mass Marketing Fraud Working Group, the Unsolicited Communications Enforcement Network, and the Global Privacy Enforcement Network. For example, the FTC assisted ICPEN's fraud prevention efforts by raising awareness of COVID-19 scams through [Twitter](#), data analysis, and consumer information on [econsumer.gov](#). Consumer agencies around the world—from Costa Rica to Korea to Turkey to Zambia—shared this information on social media networks. The FTC also contributed to a policy note by the Organization for International Cooperation and Development (OECD) on [protecting online consumers during the COVID-19 crisis](#), which is part of the OECD's response to

tackling the effects of the coronavirus on the economy. Apart from COVID-19-related cooperation, the FTC worked in all of these organizations to expand the number of participating authorities and strengthen the use of data (including consumer complaint data) and technology to support the networks' cross-border enforcement cooperation activities.

- On the enforcement front, the FTC referred to foreign counterparts its warning letters to foreign companies that made unsubstantiated claims that their products and therapies can treat or prevent COVID-19. In response, some foreign agencies issued their own cease-and-desist letters or took other actions. Most of the foreign entities that received warning letters have complied with the FTC's request that they cease making all such claims for products that they advertise, market, sell, or otherwise promote or make available in the United States. We also obtained enforcement cooperation from some foreign regulators with respect to foreign VoIP providers that facilitated illegal coronavirus robocalls.
- In the policy arena, the FTC has continued to work to develop market-oriented policies benefiting U.S. consumers to complement its international enforcement work. Bilaterally, the FTC provided informal input to agencies developing legislation on digital and privacy issues, and participated in negotiating consumer protection provisions in free trade agreements with the U.K. and Kenya. Multilaterally, the FTC provided comments on a range of policy issues and played a key role in the development of new policy reports and instruments. For example, the FTC took a leading role in the privacy and consumer protection work of the OECD, including championing empirical work on [measuring the benefits of consumer protection](#) and providing its experience with children's privacy issues in connection with the OECD's ongoing review of its [guidelines on protecting children online](#). FTC staff has also actively engaged in consumer protection issues related to the Internet Corporation for Assigned Names and Numbers (ICANN), the organization that deals with Internet domain names, including issues relating to Whois data and privacy laws.
- The FTC continued its work to protect consumer privacy in cross-border data transfer systems. It helped to expand the Asia-Pacific Economic Cooperation (APEC) Cross-Border Privacy Rules. The FTC also participated with EU and U.S. officials in the third annual review of the EU-U.S. Privacy Shield Framework and brought eight enforcement actions against U.S. companies for making false claims about their participation in the program and for otherwise violating the Privacy Shield's substantive requirements. On July 16, 2020, the European Court of Justice issued a judgment declaring invalid the European Commission's Decision 2016/1250/EC of July 12, 2016 on the adequacy of the Framework. This decision does not change the fundamental principles of privacy and data security under Section 5 and the other statutes and rules the FTC enforces or companies' obligation to comply with their privacy commitments, including commitments made for data transfers under Privacy Shield. The agency continues to expect companies to comply with their ongoing obligations with respect to transfers made under the Privacy Shield Framework.

- During FY 2020, the FTC conducted several technical assistance missions and capacity-building training sessions for developing consumer protection and privacy agencies, supported by a mix of funding sources, including in-kind donations from the recipient agencies. The FTC's technical assistance programming included in-person training sessions in Argentina, Chile, India, Paraguay, and Uruguay. Due to COVID-19 travel restrictions, the FTC also organized or participated in virtual capacity-building programs with agencies in Bahrain, the Bahamas, and Singapore. These sessions provided foreign regulators and law enforcers with information on the FTC's approach to emerging digital consumer protection issues, as well as practical investigational skills and tools for cross-border cooperation.
- As part of the FTC's International Fellows program, which provides foreign officials with a first-hand appreciation of FTC practices and approaches, the FTC hosted International Fellows from Canada and Zambia, who worked directly with agency staff on consumer protection matters.

Law Enforcement Tools

- **Consumer Response Center (CRC):** In FY 2020, the CRC handled more than 48,000 inquiries and complaints from consumers and businesses each week, for a total of 2.5 million complaints and inquiries.
- **Consumer Sentinel Network (CSN):** In FY 2020, more than 8.3 million fraud, identity theft, financial, and DNC complaints were added to the FTC's CSN database. Over 3,000 law enforcement users worldwide have access to CSN.
- **National DNC Registry:** The Registry has continued to protect consumers from receiving unwanted commercial telemarketing calls. In FY 2020, the number of telephone numbers on the Registry exceeded 241 million.

Advocacy Tools

The FTC files comments with federal and state government bodies advocating for policies that promote the interests of consumers and highlighting the role consumer and empirical research might play in their decision-making. For example, the FTC staff provided a comment to the National Institute of Standards and Technology's (NIST) "Preliminary Draft for Privacy Framework: A Tool for Improving Privacy through Enterprise Risk Management." The comment commends NIST for proposing a voluntary tool aimed

at helping organizations start a dialogue about managing privacy risks within their organizations. The comment suggested five changes to the proposed framework.

MAINTAINING AND PROMOTING COMPETITION

The FTC vigorously enforces the antitrust laws in a range of sectors of critical importance to American consumers, including technology, healthcare, energy, consumer goods and services, and manufacturing. In FY 2020, despite a global pandemic, the agency continued its vigorous enforcement, bringing thirty competition law enforcement actions, consisting of twenty-eight merger actions and two conduct actions. Of the agency's twenty-eight merger enforcement actions, eleven proposed acquisitions were abandoned or restructured to address Commission concerns that the original transaction likely would have harmed competition; these results preserved competition in the markets affected, without resorting to litigation. In ten merger matters, the Commission issued a consent order requiring the companies to divest assets to prevent the merger from leading to competitive harm. The FTC also initiated administrative adjudication against seven mergers that were likely to harm competition; in five of these cases, FTC staff also sought preliminary injunction against the merger in federal court.

In addition to its merger enforcement, the Commission also initiated a federal court action in one conduct matter, alleging an illegal scheme by a pharmaceutical company to maintain its monopoly for a life-saving drug. The Commission issued a consent order in a second conduct matter.

The FTC also advanced its competition mission through its policy program, hosting three important workshops on competition topics, publishing three competition-focused reports, and pursuing advocacy opportunities to promote competition and educate stakeholders about its benefits. Notably, the Commission and the U.S. Department of Justice Antitrust Division jointly issued Vertical Merger Guidelines. These newly issued guidelines are a highly anticipated update to the DOJ's 1984 Non-Horizontal Merger Guidelines and an important source of guidance to the business community and other stakeholders.

The FTC continued to monitor and enforce compliance with consent orders, as well as with merger and acquisition reporting obligations under the Hart-Scott-Rodino (HSR) Act. The agency brought one civil penalty action against Alimentation Couche-Tard Inc. (ACT) and a former affiliate, CrossAmerica Partners LP (CAPL), who agreed to pay \$3.5 million in civil penalties to settle charges that they violated a 2018 consent order requiring the divestiture of 10 retail fuel stations in Minnesota and Wisconsin prior to consummating its acquisition of 380 such stations in 10 states from Holiday Companies. According to the complaint, ACT and CAPL failed to divest stations in 9 of the 10 markets subject to the order, failed to maintain the viability of assets to be divested in the Hibbing, Minnesota market, and filed inaccurate and incomplete compliance reports.

In FY 2020, prior to the pandemic, the FTC was on pace for another year with a high volume of HSR filings. Amidst the ever-changing COVID-19 landscape, Commission staff seamlessly

developed and implemented an electronic filing process to facilitate ongoing premerger review despite building closures and pandemic-driven challenges. The number of incoming filings decreased during the pandemic, and as a result, the Commission received notice of fewer proposed acquisitions than anticipated during FY20. By the end of the fiscal year, however, filings had returned to normal levels, and filings have since dramatically exceeded pre-pandemic levels; as a result, staff resources remain extremely stretched.

Healthcare and Pharmaceuticals

The healthcare and pharmaceutical sectors were again a priority area for competition enforcement. In general, the FTC works to promote competition in healthcare by eliminating impediments to entry by generic drug producers, stopping illegal conduct by providers of healthcare products and services, preventing anticompetitive mergers in the industry, and using its policy tools to advocate for sound competition policy within the United States and globally where appropriate.

- **Pharmaceutical and Medical Device Mergers:** During FY 2020, the FTC reviewed numerous proposed and consummated acquisitions in the pharmaceutical and medical device industries and took action to preserve competition that otherwise would have been lost due to these transactions. For example, in December 2019, the Commission issued an administrative complaint alleging that Illumina Inc. sought to unlawfully maintain its monopoly in the U.S. market for next-generation DNA sequencing (NGS) systems by acquiring Pacific Biosciences of California, eliminating a nascent competitor. According to the complaint, Illumina, the leading provider of NGS products using predominant short-read sequencing technology, sought to eliminate current and future competition from PacBio's long-read sequencing-based NGS products, for which PacBio has made significant technological advancements and through which Illumina stands to lose increasing sequencing volumes in the future. The Commission also authorized staff to seek a preliminary injunction in federal court to enjoin the transaction pending an administrative proceeding. In the face of the Commission's challenge, the parties abandoned their proposed transaction in January 2020.

In a second medical device matter, the Commission issued a consent order to resolve concerns that Ossur HF's proposed acquisition of College Park Industries would have harmed U.S. customers for myoelectric elbows. According to the complaint, the HSR non-reportable transaction threatened to reduce competition in an already highly concentrated market for the prosthetic devices, which use electromyographic signals and battery-powered motors to provide patients with easier and more natural control over their limbs. The order required College Park to divest its myoelectric elbow business and related assets to Hugh Steeper Ltd. The order was made final in May 2020.

In a pharmaceutical matter, the Commission issued a consent order requiring a record \$13.4 billion divestiture to remedy competitive concerns raised by Bristol-Myers Squibb Company's (BMS) proposed acquisition of Celgene Corporation. According to the complaint, the acquisition would have harmed consumers in the

U.S. market for oral treatments for moderate-to-severe psoriasis in which BMS has a pipeline product in development to compete with Celgene's market-leading Otezla. Psoriasis is a chronic disease caused by an overactive immune system, resulting in skin abnormalities. According to the order, Celgene was required to divest its Otezla business and all related regulatory approvals, intellectual property, contracts, and inventory to Amgen, Inc.

In May 2020, the Commission issued a consent order settling charges that AbbVie Inc.'s proposed \$63 billion acquisition of Allergan would harm competition in violation of federal antitrust laws. According to the complaint, the FTC alleged that the deal would likely have resulted in substantial harm to competition in the market for the treatment of exocrine pancreatic insufficiency (EPI), a condition that results in the inability to digest food properly. The merging firms are two of the four manufacturers of EPI treatments and together held a 95 percent market share prior to the proposed acquisition. The complaint further alleged that the acquisitions would eliminate future competition between the parties for a class of pharmaceuticals used in the treatment of moderate-to-severe Crohn's disease and ulcerative colitis. The Commission order requires AbbVie and Allergan to divest to Nestle, S.A., all assets related to Allergan's EPI drugs Zenpep and Viokace. The order also requires Allergan to transfer to AstraZeneca plc. all of its rights and assets related to brazikumab, a Crohns/colitis treatment currently under development to preserve competition in these important markets.

In another matter, Danaher Corporation agreed to divest assets to settle FTC charges that its proposed acquisition of General Electric's biopharmaceutical business, GE Biopharma, would substantially lessen competition in ten highly concentrated U.S. biopharmaceutical markets in violation of federal antitrust laws. The Commission's order to preserve competition required Danaher to divest to Sartorius AG all rights and assets related to the following products: 1) microcarrier beads used in cell culture bioprocessing, 2) conventional low-pressure liquid chromatography columns and skids, 3) single-use low pressure liquid chromatography skids, 4) chromatography resins, 5) low-pressure liquid continuous chromatography systems, 6) single-use tangential flow filtration systems, and 7) label-free molecular characterization instruments.

- **Healthcare Mergers:** The FTC continued vigorous enforcement against anticompetitive mergers and acquisitions of healthcare providers. This year, the FTC issued an administrative complaint challenging a proposed merger between Jefferson Health and Albert Einstein Healthcare Network, two leading providers of inpatient general acute care hospital and rehabilitation services in the Philadelphia, PA area. According to the complaint, the merger would eliminate the head-to-head competition that drives improvements in quality and service, upgraded facilities, and investment in technology and innovation in Philadelphia and Montgomery counties, resulting in the parties controlling 60 and 40 percent of general acute care services in the two markets, respectively. The Commission also authorized staff to seek a preliminary injunction to enjoin the transaction pending a full administrative hearing.

The district court denied the Commission’s request for a preliminary injunction in December 2020. In a second matter, the Commission closed its in-depth investigation into Aveanna Healthcare’s proposed acquisition of Maxim Healthcare after the parties abandoned their transaction in the face of Commission allegations that the deal would have diminished competition in the both the labor markets and downstream markets for private duty nursing services, increasing the likelihood of coordination in numerous local and regional areas throughout the United States.

- **Veterinary Services:** In February 2020, the Commission issued a consent order under which veterinary service providers Compassion First and National Veterinary Associates agree to divest to MedVet Associates three facilities in 1) Asheville, NC/Greenville, SC, 2) Norwalk, CT/Yonkers, NY, and 3) Fairfax/Manassas, VA. This order settles FTC charges that the proposed acquisition would have harmed competition in emergency and other specialty veterinary services in these three regions.
- **Animal Health Products:** In July 2020, the FTC required global suppliers of animal products, Elanco Animal Health, Inc. and Bayer Animal Health GmbH, to divest all assets related to three animal health products to settle charges that Elanco’s proposed \$7.6 billion acquisition of Bayer would likely be anticompetitive. According to the complaint, the acquisition would have harmed competition in the U.S. markets for the treatment of canine otitis externa, an inflammation of the outer ear in dogs, fast-acting canine oral flea treatments, and brand-name cattle pour-on insecticides.
- **Pharmaceutical Pay-for-Delay Settlements:** The FTC continued to engage in vigorous antitrust enforcement to combat anticompetitive reverse payment patent settlements, also known as “pay-for-delay” tactics, in which a brand name drug company pays a potential generic competitor to delay its entry into the market.

The Commission continues to develop the law on reverse payment settlements following a series of broad settlements in FY 2019, pursuant to the Supreme Court’s ruling in *FTC v. Actavis*, which affirmed that such agreements are subject to antitrust scrutiny. In March 2019, the Commission ruled in an administrative proceeding that Impax Laboratories entered an illegal agreement to delay its generic version of brand name pain medication Opana ER in exchange for the brand’s commitment not to market an authorized generic—often called a no-AG commitment. In its unanimous decision, the Commission explained that under *Actavis*, eliminating the risk of competition through a reverse payment settlement itself constitutes anticompetitive harm, and that Impax failed to show that the procompetitive benefits of the agreement related to the restraint at issue rather than the settlement as a whole. In May 2019, Impax petitioned for review of the Commission’s order in the Fifth Circuit. The oral argument took place in June 2020, and the court affirmed the Commission’s decision on April 13, 2021.

The Commission also continued litigation of an appeal to its first-ever litigated victory in a sham litigation matter. In FY 2018, the U.S. District Court for the Eastern District of Pennsylvania granted the Commission’s request for a permanent injunction in *FTC v. AbbVie*, and awarded \$448 million in equitable monetary relief to consumers harmed by AbbVie’s use of baseless “sham” patent infringement lawsuits. AbbVie

appealed the court's judgment, and the FTC appealed the court's pre-trial dismissal of allegations that AbbVie also entered into a reverse payment settlement to delay generic competitors from introducing lower-priced versions of the testosterone replacement drug AndroGel. Oral argument in the Third Circuit took place in January 2020. In September 2020, the Third Circuit reinstated the FTC's reverse payment charge and partially upheld the district court's finding of sham litigation, but vacated the district court's monetary judgment and upheld the court's denial of an injunction. In December 2020, the Third Circuit remanded the case back to the district court.

- **Pharmaceutical Monopolization:** This year, the Commission authorized staff to seek a permanent injunction and equitable monetary relief to halt an elaborate anticompetitive scheme to preserve a monopoly for a life-saving drug. The FTC's complaint alleges that after acquiring the rights to Daraprim, the gold standard treatment for toxoplasmosis, Vyera Pharmaceuticals, LLC immediately raised the price 4,100 percent and engaged in a series of unlawful tactics to prevent competitive entry, including distributional restraints and interference with FDA-mandated bioequivalence testing. The complaint further charges that Vyera signed data blocking agreements to deny generic pharmaceutical firms access to the data needed to assess whether development of an alternative treatment is worth pursuing. Toxoplasmosis is a potentially fatal parasitic infection that is particularly threatening for individuals with compromised immune systems, such as HIV/AIDS and cancer patients and recipients of organ transplants. This matter is currently pending in federal court.

Consumer Goods and Services

The Commission continued to take action to preserve competition in the consumer goods and services sector.

- **Ready-to-Eat Cereal:** In December 2019, the Commission filed an administrative complaint challenging Post Holding, Inc.'s proposed acquisition of TreeHouse Foods, Inc.'s private label ready-to-eat cereal business. According to the complaint, the deal would have given Post more than a 60 percent share of the already concentrated U.S. market for these products, removing the competitive pressures that lead to high quality and lower priced cereals for American families. The Commission also authorized staff to seek a temporary restraining order and preliminary injunction to prevent consummation pending the conclusion of an administrative proceeding. In the face of the FTC's challenge, the parties abandoned their proposed acquisition and the Commission dismissed its complaint.
- **Razors:** In February 2020, the Commission issued an administrative complaint and authorized staff to seek a preliminary injunction against the proposed acquisition of Harry's Inc. by competitor Edgewell Personal Care Company, manufacturer of Schick brand razors. According to the complaint, the deal would have eliminated a disruptive and innovative rival that has driven down prices and spurred innovation in the otherwise duopolistic U.S. market for the manufacture and sale of men's and women's wet shave razors. Harry's launched as an internet-only, direct-to-consumer wet shave brand, and in 2016, entered into brick-and-mortar retail stores. The parties

abandoned their acquisition in the face of the FTC's challenge and the Commission subsequently dismissed its complaint.

- **E-Cigarettes:** In April 2020, the FTC filed an administrative complaint alleging that Altria Group, Inc. and JUUL Labs, Inc. entered into a series of agreements, including Altria's acquisition of a 35 percent stake in JUUL, that eliminated competition in violation of federal antitrust laws. According to the complaint, this series of agreements involved Altria ceasing to compete in the U.S. market for closed-system electronic cigarettes in return for a substantial ownership interest in JUUL, by far the dominant player in that market. This matter is currently pending in administrative adjudication.
- **Body-Worn Cameras:** In January 2020, the FTC issued an administrative complaint challenging Axon Enterprise, Inc.'s consummated acquisition of its body-worn camera systems competitor VieVu, LLC. Before the acquisition, the two companies competed to provide body-worn camera systems to large, metropolitan police departments across the United States. According to the complaint, Axon's May 2018 acquisition reduced competition in an already concentrated market. In April 2020, the Commission entered a consent agreement with VieVu's parent company, Safariland, which was finalized in June 2020. With respect to Axon, this matter is currently pending in administrative adjudication.
- **Casinos:** In July 2020, Casino operator Eldorado Resorts, Inc. agreed to divest assets to settle charges that its \$17.3 billion acquisition of Caesars Entertainment Corporation likely would be anticompetitive in the South Lake Tahoe area of Nevada, the Bossier City-Shreveport area of Louisiana, and the Kansas City area of Kansas and Missouri. According to the complaint, the proposed acquisition would harm competition for casino services in these three local markets, increasing the likelihood that Eldorado would unilaterally exercise market power, which in turn would lead to higher prices for consumers, and reduced quality.
- **Rent-to-Own Stores:** In May 2020, rent-to-own retail store operators Aaron's Inc., Buddy's Newco, LLC, and Rent-A-Center, Inc. agreed to settle FTC charges that they negotiated and executed reciprocal purchase agreements in violation of federal antitrust law. The complaints allege that from June 2015 to May 2018, Aaron's, Buddy's, and Rent-A-Center each entered into these anticompetitive agreements with each other and other competitors. The orders prohibit the rent-to-own companies and their franchisees from entering into any reciprocal purchase agreement or inviting others to do so, and from enforcing the non-compete clauses still in effect from the past reciprocal purchase agreements.

Chemicals and Industrial Goods

The FTC continues to devote significant resources to maintain competition in markets for chemicals and industrial goods.

- **Polyurethane Foam:** In FY 2020, polyurethane foam producers FXI Holdings, Inc. and Innocor, Inc. agreed to divest assets in three markets to settle FTC charges

that FXI's proposed acquisition of Innocor would substantially lessen competition in violation of federal antitrust laws. According to the complaint, the deal would eliminate competition between the firms in the market for conventional polyurethane foam used in home furnishings, in three regional markets: the Pacific Northwest, the Midwest (Indiana, Michigan, and Ohio), and Mississippi. Low-density foam is bulky and expensive to ship, making regional supply availability an important market dynamic. To remedy the transaction's anticompetitive effects, the Commission's order requires the firms to divest FXI's foam-pouring plant in Kent, Washington, and Innocor's foam-pouring plants in Elkhart, Indiana and Tupelo, Mississippi to Future Foam.

Energy

The FTC devotes significant resources to investigating competition issues in energy markets, which are critically important to American consumers. The FTC continues to review proposed acquisitions involving energy products.

- **Coal Production:** In February 2020, the Commission filed an administrative complaint challenging a proposed joint venture between Peabody Energy Corporation and Arch Coal. According to the complaint, the venture would combine the firms' coal mining operations in the Southern Powder River Basin (SPRB) region of northeastern Wyoming, eliminating competition between the two major competitors in the market for thermal coal in the area. SPRB coal is attractive to electric power producers in the central United States and upper Midwest because the deposits are relatively inexpensive to extract and contain lesser amounts of sulfur and sodium. According to the complaint, these power generation firms with facilities designed to burn SPRB coal have high fixed costs making it untenable to replace SPRB coal with alternative energy sources such as natural gas, wind, solar, or nuclear fuels. The Commission also authorized staff to seek a temporary restraining order to enjoin the transaction pending a full administrative hearing on the merits. The federal court trial in this matter was held in July 2020, and in September 2020, the court granted the preliminary injunction and the parties abandoned their transaction.
- **Retail Gasoline and Diesel Fuel:** In June 2020, Tri Star Energy, LLC, Hollingsworth Oil Company, Inc., C & H Properties, and Ronald L. Hollingsworth, which operate fuel outlets and convenience stores, agreed to settle FTC charges that Tri Star's acquisition of retail outlets and related interests of Hollingsworth would violate antitrust law. According to the complaint, the proposed acquisition would have harmed competition for both retail gasoline sales and retail diesel fuel sales in the two local markets of Whites Creek, Tennessee and Greenbrier, Tennessee. The Commission's order required Tri Star to divest to Cox Oil Company, Inc. retail fuel assets in Whites Creek and Greenbrier within 10 days after Tri Star completed the acquisition.

In another retail fuel matter, Arko Holdings Ltd. and Empire Petroleum Partners, LLC agreed to divest retail fuel assets in local gasoline and diesel fuel markets across four states to settle Federal Trade Commission charges that Arko's proposed acquisition of Empire would violate federal antitrust law. According to the complaint, retail fuel

markets are frequently small and highly localized, and the proposed acquisition would have disrupted competition in seven local markets in four states, including Indiana, Michigan, Maryland, and Texas.

- **Ethanol Market Concentration Report:** In November 2019, as required by the Energy Policy Act of 2005, the Commission issued its 15th annual “Report on Ethanol Market Concentration,” addressing the state of ethanol production in the United States.

Competition Advocacy, Reports, Workshops, and Outreach

Providing policymakers with a framework to analyze competition issues is an important component of the FTC’s mission to promote competition for the benefit of consumers. Government-imposed impediments can be among the most durable restraints on competition. Therefore, in response to requests, the FTC advises local, state, and federal entities on the potential competitive implications of pending governmental actions that may have a major impact on consumers.

- **Advocacy:** In FY 2020, the FTC filed one amicus brief in federal court, eight competition advocacy comments, and two advocacy comments that addressed both competition and consumer protection issues (three to federal government agencies and seven to state legislators and regulators).
 - » FTC staff submitted a comment to the Centers for Medicare and Medicaid Services (“CMS”) on its Interim Final Rule with Comment Period (IFC). The IFC sets forth policy and regulatory revisions made in response to the COVID-19 public health emergency. The comment supports the IFC’s provisions that reduce or eliminate restrictive Medicare payment requirements for telehealth and other communication technology-based services during the public health emergency.
 - » FTC staff wrote to DHS and the Office of the National Coordinator for Health Information Technology to comment on the 21st Century Cures Act: Interoperability, Information Blocking, and the ONC Health IT Certification Program Proposed Rule.
 - » FTC staff continued with its competition advocacy recommending states allow Advanced Practice Registered Nurses, Certified Registered Nurse Anesthetists, and podiatrists be allowed to work within the scope of their practice. The advocacies were sent to Ohio, Kansas, Texas, and Massachusetts.
 - » FTC staff submitted a comment to North Carolina State Board of Dental Examiners relating to proposed changes that could enhance competition in the provision of preventive dental care services and provide access to care for those who would otherwise be unserved.
 - » FTC staff, together with the staff of the Antitrust Division of the DOJ, submitted a comment to California raising concerns that California Assembly Bill 1541 would harm competition along the chain of beer distribution in California, to the detriment of California’s consumers.

- » Finally, FTC staff submitted an amicus brief in *Staley v. Gilead Sciences, Inc.* explaining that Gilead’s argument on market definition was inconsistent with core legal principles governing market definition in antitrust cases.
- **Reports and Guidelines:** During FY 2020, the FTC published reports and issued working papers addressing competition issues. The FTC and the DOJ Antitrust Division issued new Vertical Merger Guidelines that outline how the federal antitrust agencies evaluate the likely competitive impact of vertical mergers and whether those mergers comply with U.S. antitrust law. These new Vertical Merger Guidelines mark the first time the FTC and the DOJ have issued joint guidelines on vertical mergers. The FTC and the DOJ Antitrust Division also issued a joint statement detailing an expedited antitrust procedure and providing guidance for collaborations of businesses working to protect the health and safety of Americans during the COVID-19 pandemic, as well as guidance regarding labor competition to protect workers.
- **Workshops:** In FY2020, the Bureau of Economics hosted its Twelfth Annual Microeconomics Conference. The two-day workshop brought together scholars working in areas related to the FTC’s antitrust, consumer protection, and public policy missions. The agency also hosted a workshop on non-compete agreements in the workplace which examined antitrust and consumer protection issues. The FTC held a joint workshop with the FDA on the competitive marketplace for biosimilars. The FTC also held the first of a two-part series hosted with DOJ to discuss proposed Vertical Merger Guidelines. The second session was cancelled due to the pandemic, but people could submit written comments.

International Antitrust

In FY 2020, the FTC continued to develop cooperative relationships with foreign antitrust agencies to ensure close collaboration on cross-border cases and convergence toward sound competition policies. For example, the FTC engaged on policy issues of common interest and shared merger enforcement techniques and experience with staff from the competition agencies of Australia, Barbados, Brazil, Canada, Chile, China, Colombia, Costa Rica, the European Union, France, Germany, Greece, Hong Kong, India, Indonesia, Israel, Japan, South Korea, Kuwait, Mexico, Morocco, New Zealand, Nigeria, Panama, Peru, Singapore, South Africa, Taiwan, Ukraine, and the United Kingdom. The FTC continued to develop tools, facilitate case cooperation, and engage more frequently in deeper cooperation and coordination on individual matters with foreign counterparts. Notably, the FTC, with the DOJ, entered into the Multilateral Mutual Assistance and Cooperation Framework (MMAC) with the competition agencies of Australia, Canada, New Zealand, and the United Kingdom, representing a new benchmark in cross-border enforcement cooperation. The Commission also demonstrated its continued leadership in international fora, hosting an innovative virtual annual International Competition Network (ICN) conference once an in-person event became infeasible, and serving on an ICN Special Project Group to develop a joint OECD/ICN report summarizing members’ experience with international enforcement cooperation.

- The FTC continued its robust international enforcement cooperation on cases of mutual concern. In fiscal year 2020, the FTC cooperated on 29 merger and anticompetitive conduct cases of mutual concern with counterpart agencies from 13 jurisdictions. Many of these matters involved cooperation with several agencies to achieve effective, sound, and consistent outcomes. To further its in-depth case cooperation, the Commission and the five aforementioned agencies entered into the MMAC. The MMAC consists of two parts: a Memorandum of Understanding focused on improving coordination and collaboration among the agencies, and a Model Agreement that will serve as a template for a contemplated series of agreements among individual signatories that would authorize the sharing of confidential information under defined criteria, and the provision of investigative assistance.
- The FTC played important leadership roles in the ICN and the competition bodies of the OECD, UNCTAD, and APEC. The FTC's engagement promotes convergence toward best practices on substantive analysis and on principles of due process, shares insights on law enforcement and policy initiatives, and emphasizes sound policies and practices regarding consumer welfare-based enforcement, intellectual property rights, the territorial scope of remedies, and procedural fairness.
- The FTC is a leader in the ICN, a preeminent venue for the coordination of international antitrust policy. In FY 2020, the FTC continued to serve on its Steering Group, as well as co-chairing the implementation group, which promotes use by member agencies of ICN best practice recommendations and work product, and the ICN's team of working group leaders who coordinate the network's substantive work. The FTC also oversees the ICN's [online training program](#) to promote sound analytical and procedural practices across all aspects of antitrust enforcement. Over the past year, the FTC was a significant contributor to new ICN work on mergers and dominance in digital markets and on the competition assessment of laws and regulations. The FTC also led the drafting of the [ICN's advice to competition agencies](#) on dealing with the challenges of the COVID-19 pandemic and its economic consequences; the ICN Statement reaffirms the relevance of competition to economies in crises and the importance of vigilant enforcement. In light of emerging digital economy issues that competition agencies are facing, the FTC proposed and helped initiate important new work to explore the interface between competition, consumer protection, and data privacy enforcement and policy.
- In the OECD, the FTC played a lead role in developing the Competition Committee's long-term projects on competition in the digital economy, and is collaborating with the OECD's Secretariat to develop among other topics, the application of competition laws to intellectual property rights, and international enforcement cooperation. In FY 2020, the FTC also served as a lead contributor to the preparation of OECD Recommendations on procedural fairness in competition investigations and enforcement, and on "competitive neutrality."
- The FTC, along with DOJ's Antitrust Division, continued to conduct high-level and staff dialogues with key counterparts. We continued engagement with counterparts in Australia, Brazil, China, the European Union, Japan, South Korea, and the United

Kingdom to discuss procedural fairness, the application of antitrust laws to digital platforms, and other critical antitrust enforcement and policy topics. We also held high-level meetings with colleagues from foreign competition authorities, including from Australia, Brazil, Canada, the European Union, Mexico, New Zealand, and the United Kingdom covering these and other timely issues.

- The FTC has continued to work with other U.S. government agencies when called upon to address competition issues that implicate broader U.S. policy interests in a coordinated and effective manner, such as the protection of intellectual property and non-discriminatory treatment of U.S. companies. In FY 2020, for example, the FTC was an active member of the U.S. delegations that negotiated the competition chapters in proposed free trade agreements with the United Kingdom and Kenya. The FTC also worked with other agencies to support recognition of the attorney-client privilege by the Japan Fair Trade Commission.
- The FTC's technical assistance program targets competition capacity building to developing and transitioning regimes, providing assistance with analytical and investigative techniques ranging from core concepts to advanced competition practice. With the rapid growth in the number of jurisdictions with competition laws over the past decades, the FTC has expanded its program of technical assistance to help other agencies apply their laws in ways that support competitive markets and compatible analysis and outcomes in cross-border matters. In FY 2020, the FTC continued its technical assistance program in Ukraine by placing seasoned FTC lawyers in its competition agency, as resident advisors, to share approaches to enforcement and investigation and to assist in drafting amendments to the law. The FTC also assisted the Philippine and Vietnamese authorities in their efforts to introduce competition concepts to the judiciary, regulatory bodies, law schools, and the private sector. Until international travel was restricted, the FTC conducted 13 competition technical assistance programs on site in 12 jurisdictions, including participating in two regional programs for ASEAN member states. The FTC continued its program throughout the pandemic through virtual training for staff in Mexico, Peru, the Philippines, Ukraine, and regional programs for agencies of CARICOM (Caribbean Community) and in Eastern Europe.
- The FTC International Fellows and Interns program enables staff from counterpart agencies to work directly with FTC staff on antitrust investigations and cases, subject to appropriate confidentiality protections. From the program's inception in

2007 through the end of FY 2020, the FTC has hosted 92 international competition colleagues from 32 jurisdictions, including 5 officials during FY 2020, from Australia, India, Japan, Mexico, and Ukraine.

PLANNED ACTIVITIES IN FY 2021 AND BEYOND

PROTECTING CONSUMERS

The FTC protects consumers from unfair and deceptive practices in the marketplace. The FTC conducts investigations, sues companies and people that violate the law, develops rules to protect consumers, and educates consumers and businesses about their rights and responsibilities. The agency also collects complaints about a host of consumer issues, including fraud, identity theft, financial matters, and DNC violations. The FTC makes these complaints available to law enforcement agencies worldwide.

Protecting Consumers as Technology Evolves

The FTC will continue to focus on identifying consumer protection issues associated with the use of new technology, including a careful consideration of the costs and benefits of practices and the importance of fostering innovation. The FTC also will take enforcement action against deceptive advertisements that appear in new formats and new media (e.g., apps, games, videos, and social networks). In addition, the agency will continue to evaluate consumer protection issues in the mobile marketplace through surveys and workshops. The FTC also will continue its efforts to root out entities responsible for illegal robocalls, enforce its DNC rules, and work with other stakeholders and industry to help develop technology-based solutions. The FTC will continue to conduct research on emerging technologies to assist with enforcement actions, educate consumers, and inform policy.

Protecting Consumer Privacy and Data Security

The FTC will continue to take a leading role in efforts to protect consumers from unfair or deceptive practices related to the privacy and security of their personal information, while preserving the many benefits that technological advances offer. The agency will stop unfair and deceptive consumer privacy and data security practices through law enforcement focused on matters that cause or are likely to cause substantial injury to consumers. It will promote strong and balanced privacy protections through policy initiatives on a range of topics.

The FTC also will participate in interagency groups, promote self-regulatory efforts, provide technical assistance to Congress on draft legislation, and participate in international privacy initiatives.

In addition, the FTC will continue to be the repository for identity theft complaints and to make them available to federal criminal law enforcement agencies. Our trained counselors will continue to advise identity theft victims about the rights and remedies available to them under federal law, and to educate all consumers about how to avoid becoming victims. The FTC will continue to make enhancements to [IdentityTheft.gov](https://www.identitytheft.gov), the federal government's one-stop resource to help consumers report and recovery from identity theft.

Protecting Consumers from Fraud

Fraud affects all consumers, and the FTC will place an increased emphasis on law enforcement efforts to stop scams, focusing on those schemes that cause the most significant consumer harm. In particular, the FTC will take enforcement actions to stop imposter scams in which the perpetrators pose as government agents, legitimate technical support companies, family members, or others.

The FTC also will focus on frauds targeting specific populations, including older adults, non-English speaking consumers, communities of color, and small businesses. Con artists continue to target consumers in financial distress. Therefore, the FTC will continue to take enforcement actions to stop deceptive or other unlawful conduct in mortgage assistance relief and other debt relief services, payday lending, and debt collection. This deceptive or other unlawful conduct can have severe consequences for consumers who can least afford it.

The FTC is committed to protecting military consumers from scams. The FTC's website [Military.Consumer.gov](https://www.military.consumer.gov) provides tools to help service members and their families avoid fraud and make informed financial decisions. With deployments and frequent relocations, military families regularly need to rent or buy a new place to live, manage money while on the move, and be vigilant about dealing with businesses in new locales. The FTC will continue to devote resources to conduct outreach to military consumers.

The FTC will continue to offer materials to help businesses avoid becoming victims of fraud; these materials are available via the FTC's Business Center at [business.ftc.gov](https://www.business.ftc.gov) and the agency's small business website at [ftc.gov/SmallBusiness](https://www.ftc.gov/SmallBusiness).

Stopping Deceptive Advertising

The FTC will continue to challenge false and unsubstantiated advertising claims. These actions will target various health-related claims, including disease prevention and treatment claims; claims aimed at older adults, military members, and rural consumers; and claims exploiting emerging health threats, such as COVID-19. The FTC also will challenge false and unsubstantiated environmental marketing claims. Additionally, the FTC will be seeking data from marketers of e-cigarettes about their advertising expenditures, similar to data the Commission seeks periodically from Cigarette and Smokeless Tobacco companies.

Ensuring Compliance with FTC Orders

Order enforcement plays an integral part in fulfilling the FTC's consumer protection mission. The agency will continue to place a high priority on enforcing orders against repeat offenders, as well as those who act with them.

Cross-Border Enforcement and Policy Development

The FTC will continue its enforcement against cross-border fraud and policy development efforts in the international arena. Using the tools of the U.S. SAFE WEB Act and other mechanisms for cross-border cooperation, including technology-based systems, the FTC will continue to create and sustain international partnerships and networks to pursue matters involving foreign defendants, evidence, and assets and to develop new initiatives with foreign counterparts on consumer fraud, finding new ways of working with foreign counterparts due to COVID-19 considerations. Reauthorized on October 20, 2020 with a seven-year sunset provision, the FTC will continue to seek permanent reauthorization of the U.S. SAFE WEB Act. The FTC will continue to explore new ways of using complaint data, including information from [econsumer.gov](https://www.consumer.gov) and data visualization tools to target its international efforts and to promote reciprocal enforcement by its foreign partners.

The FTC will continue to promote international development of market-oriented consumer protection policies that effectively address consumer harm in international organizations such as the OECD.

The FTC will participate actively in enforcement networks such as ICPEN, IMMFWG, GPEN, and UCENet and encourage coordinated enforcement actions and activities that protect U.S. consumers. The FTC will continue to engage in technical assistance and capacity-building activities in jurisdictions such as India with a focus on preventing fraud aimed at American consumers and enhancing enforcement cooperation to combat deceptive schemes.

MAINTAINING AND PROMOTING COMPETITION

The FTC's competition work is critical to protect and strengthen free and open markets. Robust competition promotes lower prices, higher quality products and services, and greater innovation, all of which benefit consumers and the economy. A vigorous, open, and competitive marketplace provides the incentive and opportunity for new ideas and innovative products and services. The FTC will continue to use all of the tools at its disposal to promote competition and protect consumers from anticompetitive mergers and business practices.

Challenging Anticompetitive Mergers

Identifying anticompetitive mergers remains a top priority of the agency's competition mission. The premerger notification requirements of the HSR Act provide the FTC with an effective starting point for identifying anticompetitive mergers before they are consummated, thereby preventing competitive harm. The FTC also devotes attention to identifying unreported, often consummated, mergers that could harm consumers. Reviewing and challenging anticompetitive mergers will continue to require substantial agency resources. Nonetheless, the FTC will continue its vigorous antitrust enforcement to

maintain competition in a broad array of economic sectors of great importance to American consumers, including healthcare, technology, manufacturing, and consumer goods and services.

Promoting Competition in Healthcare and Pharmaceuticals

The rapid rise in healthcare costs remains a matter of concern for consumers, employers, insurers, and the nation as a whole. Health-related products and services account for a significant percentage of gross domestic product each year, and healthcare costs continue to rise. The FTC will continue to take action against the anticompetitive conduct and mergers of healthcare firms (including hospitals, medical device manufacturers, pharmaceutical companies, and physician groups, and other healthcare providers) that contribute to the rising cost of healthcare. The agency also will continue its vigorous advocacy to promote healthcare competition by advising local, state, and federal entities, upon request, on the competitive implications of pending government actions.

Continuing Emphasis on Technology and Intellectual Property

The FTC continues to promote competition in complex and innovative high-tech markets through its ongoing enforcement, research, and advocacy efforts. Competition in technology sectors can be especially important to ensure that technological advances continue to drive innovation and growth in the economy, introducing more efficient products and processes into the marketplace, increasing quality, and decreasing prices. Antitrust matters increasingly intersect with intellectual property issues, raising difficult questions about how best to integrate these two bodies of law to further the common goal of promoting innovation.

This focus on technology markets places increasing demands on the FTC's antitrust enforcement mission in both the merger and nonmerger areas. The FTC remains vigilant about firms illegally using a dominant market position to thwart competition in order to raise prices, reduce the quality or choice of goods and services, or inhibit innovation; or about groups of competitors acting collectively to increase prices or stifle innovation. The Bureau of Competition continues to strengthen its Technology Enforcement Division dedicated to monitoring competition in U.S. technology markets, investigating any potential anticompetitive conduct in those markets, and taking enforcement actions when warranted.

Preventing Anticompetitive Activity in the Energy Sector

The FTC continues to focus closely on gasoline markets, investigating industry practices and pricing, and will move quickly to address any anticompetitive mergers and other anticompetitive activities that could artificially raise energy costs.

Increasing Consumer and Business Outreach

The FTC will continue its efforts to educate businesses and consumers on compliance with the antitrust laws and the important role of competition in ensuring the mix of price, choice, and innovation valued by consumers. The FTC will look for opportunities to expand the reach of the "Competition Matters" blog by addressing frequently asked questions

and issues of importance to consumers and businesses, and the agency will participate in business outreach through the Commission’s “Green Lights & Red Flags” events. Finally, the FTC’s Premerger Notification Office, which responds to thousands of calls seeking guidance about premerger filing requirements, will continue to give clear guidance to companies about these regulations and ensure that its interpretations comport with congressional intent and sound public policy. FTC staff will also continue to provide advisory opinions to businesses that request review of proposed conduct.

Promoting Global Competition

The FTC will continue to develop its cooperative relationships with key international counterpart agencies and will update and develop additional cooperation tools to ensure sound and consistent enforcement. The FTC will continue to work with competition agencies worldwide to promote best practices and to minimize procedural and policy differences. The FTC plays a lead role in urging convergence toward best practices through its active participation in international bodies, such as the ICN and OECD, and continues to advocate for, develop, and promote the implementation of international best practices in core substantive and procedural areas, including due process. The FTC will continue its outreach in order to strengthen cooperative relationships with our counterpart agencies through its International Fellows and Interns and technical assistance programs. The Commission will continue to work with other U.S. agencies as appropriate to address global issues of mutual concern, including through competition provisions of trade agreements.

Advocating for Competition before the Courts and Other Government Agencies

The FTC works to promote a competitive marketplace by responding to policymakers’ inquiries about how to apply sound competition principles as they make decisions affecting consumers. The FTC and its staff also will continue to provide guidance on important competition policy issues by issuing reports, filing amicus briefs to help courts resolve important competition issues, and providing input on proposed government action that could have significant competitive effects.

Enforcing FTC Orders, Ensuring the Effectiveness of FTC Merger Orders, and HSR Compliance

The FTC will continue its compliance program to ensure that consumers receive the full benefits of competition preserved or restored by the agency’s consent orders. The FTC also will continue to enforce compliance with the HSR premerger notification rules, and take appropriate action when firms fail to meet the filing requirements.

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Annual Performance Report
for Fiscal Year 2020
and Annual Performance Plan
for Fiscal Years 2021 and 2022



Budgeted Resources by Objective
(\$ in thousands)

Strategic Goal 1: Prevent fraud, deception, and unfair business practices in the marketplace.	FY 2020 FTE	FY 2020 Amount	FY 2021 FTE	FY 2021 Amount
Objective 1.1: Identify and take actions to address deceptive or unfair practices that harm consumers.	512	\$164,143	552	\$175,494
Objective 1.2: Provide the public with knowledge and tools to prevent harm to consumers.	73	24,213	73	24,452
Objective 1.3: Collaborate with domestic and international partners to enhance consumer protection.	27	8,234	28	8,659
Total	612	\$196,590	653	\$208,605

Strategic Goal 2: Prevent anticompetitive mergers and other anticompetitive business practices in the marketplace.	FY 2020 FTE	FY 2020 Amount	FY 2021 FTE	FY 2021 Amount
Objective 2.1: Identify and take actions to address anticompetitive mergers and practices that cause harm to consumers.	453	\$132,027	518	\$157,163
Objective 2.2: Engage in effective research and stakeholder outreach to promote competition, advance its understanding, and create awareness of its benefits to consumers.	53	15,447	56	16,740
Objective 2.3: Collaborate with domestic and international partners to preserve and promote competition.	22	6,936	23	7,292
Total	528	\$154,410	597	\$181,195

FTE by Objective
(\$ in thousands)

Protecting Consumers	Fiscal Year 2020				Fiscal Year 2021			
	Objective Number			Total FTE	Objective Number			Total FTE
	1	2	3		1	2	3	
Privacy and Identity Protection	50	8	3	61	52	8	3	63
Financial Practices	61	6	4	71	63	6	4	73
Marketing Practices	108	5	9	122	114	5	9	128
Advertising Practices	51	5	3	59	52	5	3	60
Enforcement	52	1	1	54	55	1	1	57
Consumer Response and Operations	24	1	---	25	25	1	---	26
Litigation Technology and Analysis	36	1	---	37	40	1	---	41
Consumer and Business Education	---	21	---	21	---	22	---	22
Economic and Consumer Policy Analysis	2	5	1	8	7	3	1	11
Management	9	3	---	12	9	3	---	12
Support	119	17	6	142	135	18	7	160
Total	512	73	27	612	552	73	28	653

Promoting Competition	Fiscal Year 2020				Fiscal Year 2021			
	Objective Number			Total FTE	Objective Number			Total FTE
	1	2	3		1	2	3	
Premerger Notification	15	3	---	18	16	3	---	19
Merger and Joint Venture Enforcement	187	10	5	202	209	10	5	224
Merger and Joint Venture Compliance	9	2	---	11	9	2	---	11
Nonmerger Enforcement	116	6	5	127	132	6	5	143
Nonmerger Compliance	1	---	---	1	1	---	---	1
Antitrust Policy Analysis	3	16	7	26	8	17	7	32
Other Direct	16	4	---	20	16	4	---	20
Support	106	12	5	123	127	14	6	147
Total	453	53	22	528	518	56	23	597

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About This Report

The following document is the Annual Performance Report for fiscal year (FY) 2020 and Annual Performance Plan for FY 2021 and 2022 for the Federal Trade Commission (“FTC” or “Commission”). The performance report is structured around three strategic goals and their supporting objectives as established in the FTC Strategic Plan for FY 2018-2022. The FTC’s strategic goals, objectives, and performance measures articulate what the agency intends to accomplish to meet its mandated mission (Goals 1 and 2), support and improve the management functions vital to core mission success (Goal 3), and demonstrate the highest standards of stewardship.

- **Strategic Goal 1:** Protect consumers from unfair and deceptive practices in the marketplace
- **Strategic Goal 2:** Maintain competition to promote a marketplace free from anticompetitive mergers, business practices, or public policy outcomes
- **Strategic Goal 3:** Advance the FTC’s performance through excellence in managing resources, human capital, and information technology

To see more of the FTC’s [performance](#) and [budget](#) documents, please visit the agency’s website.

AGENCY AND MISSION INFORMATION

The FTC works to protect and strengthen free and open markets and to promote informed consumer choice, both in the United States and around the world. While the FTC is primarily a law enforcement agency, the FTC also uses a variety of other tools to fulfill its mission, including rulemaking, research, studies on marketplace trends and legal developments, and consumer and business education.

Our Mission

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

Our Vision

A vibrant economy characterized by vigorous competition and consumer access to accurate information.

Our History and Organization

The FTC is an independent agency that reports to the President and to Congress on its mission to protect consumers and promote competition. This work includes pursuing

vigorous and effective law enforcement; advancing consumers' interests by sharing its expertise with Congress, state legislatures, and U.S. and international agencies; developing policy and research tools through hearings, workshops, and conferences; and creating practical and plain-language educational programs and materials for consumers and businesses in a global marketplace with constantly changing technologies.

The FTC has a long tradition of maintaining a competitive marketplace for both consumers and businesses. In 1914, President Woodrow Wilson signed the Federal Trade Commission Act into law, creating the FTC, which then absorbed its predecessor, the Bureau of Corporations, in 1915. When the FTC was created in 1914, its purpose was to prevent unfair methods of competition in commerce as part of the battle to “bust the trusts.” Over the years, Congress passed additional laws giving the agency greater authority over anticompetitive practices.

Recognizing that unfair and deceptive practices can also distort a competitive marketplace and cause harm to consumers, in 1938 Congress amended the FTC Act and granted the FTC authority to stop “unfair or deceptive acts or practices in or affecting commerce.” Since then, the FTC also has been directed to enforce a wide variety of other consumer protection laws and regulations. In total, the Commission has enforcement or administrative responsibilities [under more than 70 laws](#). In addition, the agency maintains a website at www.ftc.gov that provides information for consumers and businesses, as well as online forms to file complaints.

Organizational Structure

The FTC is headed by a Commission, consisting of five members; each is nominated by the President, confirmed by the Senate, and serves a staggered seven-year term. The President chooses one commissioner to act as Chair. No more than three commissioners may be from the same political party. The FTC accomplishes its mission through three bureaus: the Bureau of Consumer Protection (BCP), the Bureau of Competition (BC), and the Bureau of Economics (BE). Their work is aided by the Office of the General Counsel (OGC), the Office of International Affairs (OIA), the Office of Policy Planning (OPP), the Office of the Secretary (OS), the Office of the Executive Director (OED), the Office of Congressional Relations (OCR), the Office of Public Affairs (OPA), the Office of Administrative Law Judges (ALJ), the Office of Equal Employment Opportunity and Workplace Inclusion (EEOWI), the Office of the Chief Privacy Officer (OCPO), and the Office of the Inspector General (OIG). For more information about the agency's components, visit its [organizational structure webpage](#).

The agency's headquarters are located in Washington, D.C. with eight regional offices across the United States. The agency had 1160 staff on board at the end of FY 2020. The total new budget authority for FY 2020 was \$331.0 million.

PERFORMANCE MEASUREMENT REPORTING PROCESS

Bureau and Office representatives serve as the Performance Measure Reporting Officials (PMRO), who act as data stewards for each of the agency’s publicly-reported performance goals. The PMROs report performance data to the Performance Improvement Officer on a quarterly or annual basis via an internal data reporting tool. The Financial Management Office (FMO) also leads periodic performance goal reviews in coordination with budget execution reviews. Quarterly reports are sent to senior managers throughout the agency, allowing for adjustments to agency strategies based on the interim results.


Verification and Validation of Performance Data

The following outlines how the agency ensures the performance information it reports is complete, reliable, and accurate:

- The FTC has adopted a central internal repository for performance data entry, reporting, and review. The electronic data tool reduces human error, increases transparency, and facilitates review of the agency’s performance information.
- Each PMRO is responsible for updating the data quality appendix (DQA) at least once per year. The DQA serves as a process document, laying out data sources, and collection methods for performance information, as well as how metrics are calculated.
- PMROs must provide all supporting documentation for their performance results at both the midpoint and end of the fiscal year. This allows FMO Performance Staff to “dig beneath the surface” and see the data underlying the metrics.
- After reviewing the underlying data, several measures are selected each year to investigate more thoroughly, including interviewing the staff responsible for data collection, asking about alternative methods, and comparing data collection and calculations to those reported in the DQA.

Annual Performance Goals: Fiscal Years 2016 to 2022
Performance results available at <http://www.ftc.gov/about-ftc/performance>.

	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2021 Target	FY 2022 Target
Goal 1: Protect consumers from unfair and deceptive practices in the marketplace.								
Objective 1.1: Identify and take actions to address deceptive or unfair practices that harm consumers.								
Performance Goal 1.1.1 Percentage of the FTC's consumer protection law enforcement actions that targeted the subject of consumer complaints to the FTC.	91.2%	94.4%	89.6%	87.8%	90.5%	80.0%		80.0%
Performance Goal 1.1.2 Rate of customer satisfaction with the FTC's Consumer Response Center. (A) Website (B) Call Center	(A) 81 (B) 83	(A) 80 (B) 84	(A) 80.3 (B) 85	(A) 81.2 (B) 84	(A) 82.5 (B) 84	(A) 75 (B) 64		average satisfaction rate for websites/ call centers
Key Performance Goal 1.1.3 Total consumer savings compared to the amount of FTC resources allocated to consumer protection law enforcement. (New 3 yr. rolling average)	\$8.80 in consumer savings per \$1 spent	\$35.20 in consumer savings per \$1 spent	\$39.00 in consumer savings per \$1 spent	\$38.60 in consumer savings per \$1 spent	\$14.40 in consumer savings per \$1 spent	\$7.00 in consumer savings per \$1 spent		\$7.00 in consumer savings per \$1 spent
Key Performance Goal 1.1.4 Amount of money returned to consumers or forwarded to the U.S. Treasury resulting from FTC enforcement action.	\$95.2 million	\$2.69 billion	\$3.25 billion	\$3.52 billion	\$2.79 billion	\$65 million		\$65 million
Objective 1.2 Provide consumers and businesses with knowledge and tools that provide guidance and prevent harm.								
Key Performance Goal 1.2.1 Rate of consumer satisfaction with FTC consumer education websites.	76.0	77.0	77.0	77.7	76.2	75.5		average satisfaction rate for websites
Performance Goal 1.2.2 Number of workshops and conferences the FTC convened that address consumer protection issues.	12	19	11	12	13	10		10
Performance Goal 1.2.3 Number of consumer protection reports the FTC released.	8	10	18	11	23	10		10

	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2021 Target	FY 2022 Target
Objective 1.3 Collaborate with domestic and international partners to enhance consumer protection.								
Performance Goal 1.3.1 Number of investigations or cases in which the FTC and other U.S. federal, state, and local government agencies shared evidence or information that contributed to FTC law enforcement actions or enhanced consumer protection..	387	359	369	453	551	375	375	
Performance Goal 1.3.2 Number of investigations or cases in which the FTC obtained foreign-based evidence or information or engaged in other mutual assistance that contributed to FTC law enforcement actions, or in which the FTC cooperated with foreign agencies and/or multilateral organizations on enforcement matters.	53	50	43	48	42	40	32	35
Performance Goal 1.3.3 Number of instances of policy advice or technical assistance provided to foreign consumer protection and privacy agencies, directly and through international organizations.	66	66	64	71	60	60	60	
Performance Goal 1.3.4 Percentage of consumer protection advocacy matters filed with entities including federal and state legislatures, agencies, or courts that were successful, in whole or in part.	85.7%	85.7%	*	*	*	60.0%	60.0%	
Goal 2: Maintain competition to promote a marketplace free from anticompetitive mergers, business practices, or public policy outcomes								
Objective 2.1 Identify and take actions to address anticompetitive mergers and practices.								
 Key Performance Goal 2.1.1 Percentage of full merger and nonmerger investigations in which the FTC takes action to maintain competition.	54.6%	49.1%	67.9%	62.9%	77.1%	Between 40.0% and 70.0%	Between 50.0% and 80.0%	
Performance Goal 2.1.2 Consumer savings through merger actions taken to maintain competition.	\$2.59 billion	\$2.59 billion	\$2.66 billion	\$3.09 billion	\$1.78 billion	\$2.10 billion	\$1.5 billion	

* Results not available at time of publication.

	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2021 Target	FY 2022 Target
🔑 Key Performance Goal 2.1.3 Total consumer savings compared to the amount of FTC resources allocated to the merger program.	\$46.40 in consumer savings per \$1 spent	\$55.60 in consumer savings per \$1 spent	\$50.30 in consumer savings per \$1 spent	\$65.90 in consumer savings per \$1 spent	\$25.70 in consumer savings per \$1 spent	\$42.00 in consumer savings per \$1 spent	\$35.00 in consumer savings per \$1 spent	
Performance Goal 2.1.4 Consumer savings through nonmerger actions taken to maintain competition.	\$1.02 billion	\$1.12 billion	\$1.10 billion	\$1.77 billion	\$901 million	\$900 million	\$900 million	
🔑 Key Performance Goal 2.1.5 Total consumer savings compared to the amount of FTC resources allocated to the nonmerger program.	\$52.30 in consumer savings per \$1 spent	\$39.60 in consumer savings per \$1 spent	\$40.10 in consumer savings per \$1 spent	\$75.80 in consumer savings per \$1 spent	\$45.95 in consumer savings per \$1 spent	\$40.00 in consumer savings per \$1 spent	\$35.00 in consumer savings per \$1 spent	
Objective 2.2 Engage in effective research, advocacy, and stakeholder outreach to promote competition and advance its understanding.								
Performance Goal 2.2.1 Number of workshops, seminars, conferences, and hearings convened or co-sponsored that involve significant competition-related issues.	3	3	7	11	4	3	3	
Performance Goal 2.2.2 Number of reports and studies the FTC issued on key competition-related topics.	9	11	9	4	7	8	8	
Performance Goal 2.2.3 Percentage of competition advocacy comments and amicus briefs filed with entities including federal and state legislatures, agencies, or courts that were successful, in whole or in part.	64.7%	58.6%	*	*	*	60.0%	60.0%	
Objective 2.3 Collaborate with domestic and international partners to preserve and promote competition.								
🔑 Key Performance Goal 2.3.1 Percentage of FTC cases involving at least one substantive contact with a foreign antitrust authority in which the agencies followed consistent analytical approaches and reached compatible outcomes.	100%	96%	98%	100%	100%	95%	95%	
Performance Goal 2.3.2 Number of instances in which the FTC provided policy advice or technical assistance to foreign competition agencies or government.	171	160	151	165	155	130	130	

* Results not available at time of publication.

	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2021 Target	FY 2022 Target
Goal 3: Advance the FTC's performance through excellence in managing resources, human capital, and information technology.								
Objective 3.1 Optimize resource management and infrastructure.								
Performance Goal 3.1.1 The extent to which the FTC is prepared to protect people and property and to continue mission essential operations during emergencies. (A) Achieve a favorable COOP rating (B) The number of products and activities related to Physical Security that inform staff and provide opportunities to practice emergency procedures.	(A) 90% (B) N/A	(A) 95% (B) N/A	(A) 95% (B) 39	(A) 95% (B) 70	(A) COOP Exercise cancelled (B) 115	(A) 80% (B) 42	(A) 85% (B) 60	
Performance Goal 3.1.2 Percentage of survey respondents who are satisfied with the timeliness of administrative operations.	N/A	81%	82%	87%	78%	75%	75%	
Performance Goal 3.1.3 Achieve a favorable (unmodified) audit opinion from the agency's independent financial statement auditors.	Unmodified opinion	Unmodified opinion	Unmodified opinion	Unmodified opinion	Unmodified opinion	Unmodified opinion	Unmodified opinion	
Performance Goal 3.1.4 Percentage of new entrant, annual, and termination Public Disclosure Reports that are filed within the required timeframe.	N/A	N/A	98.3%	98.4%	95.1%	95.0%	95.0%	
Performance Goal 3.1.5 Percentage of contract actions awarded within FTC's established Procurement Action Lead Time (PALT).	78%	65%	57.4%	67%	89%	70%	75%	
Objective 3.2 Cultivate a high-performing, diverse, and engaged workforce.								
Performance Goal 3.2.1 The extent to which FTC employees consider their agency a best place to work.	81%	83%	85%	84%	89%	Exceed government-wide average by 10 points (69+10=79%)	Exceed government-wide average by 10 points	
Performance Goal 3.2.2 The extent employees believe the FTC encourages an environment that is open, diverse, and inclusive.	75%	78%	78%	78%	Data not available	Exceed government-wide average by 10 points	Exceed government-wide average by 10 points	

	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2021 Target	FY 2022 Target
🔑 Performance Goal 3.2.3 The extent to which employees believe the FTC cultivates engagement throughout the agency.	82%	83%	83%	84%	87%	Exceed government-wide average by 10 points (72+10=82%)	Exceed government-wide average by 10 points	
Performance Goal 3.2.4 The extent to which employees believe FTC management promotes a results-oriented performance culture.	70%	73%	74%	75%	Data not available	Exceed government-wide average by 10 points	Exceed government-wide average by 10 points	
Objective 3.3 Optimize technology and information management that supports the FTC mission.								
Performance Goal 3.3.1 Availability of information technology systems.	99.75%	99.70%	99.71%	99.98%	99.97%	99.60%	99.60%	99.95%
Performance Goal 3.3.2 Percentage of IT spend on Provisioned IT Services.	N/A	N/A	36.6%	37.0%	40.0%	40.0%	40.0%	
Performance Goal 3.3.3 Achieve a favorable FTC Cybersecurity Index score.	N/A	N/A	3 of 8	6 of 8	7 of 8	6 of 8	6 of 8	
Performance Goal 3.3.4 Percentage of the FTC's paper records held at the Washington National Records Center (WNRC) that are processed and appropriately either (a) destroyed or (b) transferred to the National Archives and Records Administration.	N/A	N/A	N/A	16.9%	31.3%	≥ 50% of WNRC holdings processed	[on hold]*	
Performance Goal 3.3.5 Successfully transfer permanent electronic records dated between 2004 and 2016 to NARA in a timely manner.	N/A	N/A	N/A	2004-2006 records transferred	No records transferred	Transfer permanent electronic records dated 2007-2009	[on hold]**	

*In FY 2020, the agency authorized the destruction of 3,987 boxes of WNRC holdings and identified an additional 8,157 boxes to be destroyed. The agency also authorized the transfer of 208 boxes of WNRC holdings to the custody of NARA. However, as is standard practice, these requests were halted mid-year at NARA's request pending the FTC's development of new records' schedules for mission and policy-related work; this is standard practice when new schedules are needed. The agency is collaborating closely with NARA to develop new schedules and has already begun to submit them to NARA for approval.

**In FY 2020, the agency identified and authorized the transfer of permanent electronic records for 2007-2009 to the custody of NARA. However, these requests were halted mid-year at NARA's request pending the FTC's development of new records' schedules for mission and policy-related work; this is standard practice when new schedules are needed. The agency is collaborating closely with NARA to develop new schedules and has already begun to submit them to NARA for approval.

Strategic Goal 1: Protect Consumers From Unfair and Deceptive Practices in the Marketplace

The FTC protects consumers from unfair and deceptive acts and practices in the marketplace by conducting investigations, suing companies and individuals that violate the law, developing rules to protect consumers, and educating consumers and businesses about their rights and responsibilities. The agency also collects complaints about a host of consumer issues, including fraud, identity theft, financial matters, and Do Not Call violations. The FTC makes these complaints available to law enforcement agencies worldwide.

Because the FTC has jurisdiction over a wide range of consumer protection issues, it must effectively use its limited resources by targeting its law enforcement and education efforts to achieve maximum impact and by working closely with federal, state, international, and private sector partners in joint initiatives. In addition, the agency engages in dialogue with a broad range of stakeholders to understand emerging issues. The FTC also conducts research on a variety of consumer protection topics.

The FTC focuses on investigating and litigating cases that cause or are likely to cause substantial injury to consumers. This includes not only monetary injury, but also, for example, unwarranted health and safety risks. By focusing on practices that are actually harming or likely to harm consumers, the FTC can best leverage its limited resources.

Strategic Objectives

The FTC has established three objectives to guide work in this area:

- **Objective 1.1:** Identify and take actions to address deceptive or unfair practices that harm consumers.
- **Objective 1.2:** Provide consumers and businesses with knowledge and tools that provide guidance and prevent harm.
- **Objective 1.3:** Collaborate with domestic and international partners to enhance consumer protection.

Goal 1 and its supporting Strategic Objectives comprise the first of two mission-focused components of the FTC's FY 2020 Performance Report.

Objective 1.1: Identify and take actions to address deceptive or unfair practices that harm consumers.

Goal Leaders: Director, Bureau of Consumer Protection; Director, Bureau of Economics

Strategies, External Factors, and Risks

Strategy	Related Performance Measures	Related External Factors
Monitor and review Consumer Sentinel Network (CSN) data base and monitor marketplace practices for complaint trends and data to support existing claims	Measure 1.1.1 Measure 1.1.2 Indicator 1.1.IND.1 Indicator 1.1.IND.3	<ul style="list-style-type: none"> Agency does not control the number and volume of complaints received from consumers.
<p>Potential Risks</p> <ul style="list-style-type: none"> A drop in the number of complaints received could hinder the agency’s ability to identify unlawful practices. A drop in the volume of complaints received about specific practices could influence the identification of trends, targets, and policy concerns. 		

Strategy	Related Performance Measures	Related External Factors
<p>Take law enforcement action that focuses on preventing fraud and harm to consumers, protects consumer privacy, and targets those who violate federal court and administrative orders obtained by the FTC.</p>	<p>Measure 1.1.3 Measure 1.1.4 Indicator 1.1.IND.2</p>	<ul style="list-style-type: none"> • New Congressional legislation could change existing laws. • Changes to the agency budget and staffing levels. • Increasing costs related to litigation, including processing and storing increasingly large amounts of electronic investigation and case data. • Legal challenges, such as the recent <i>AMG Capital Mgmt., LLC v. FTC</i> Supreme Court case, can reinterpret the FTC's enforcement authority.
<p>Potential Risks</p> <ul style="list-style-type: none"> • New legislation could affect the agency's ability to take law enforcement action. • A reduction in budget and/or staffing levels could reduce the agency's ability to take law enforcement action. • Increased litigation costs could lead to fewer investigations and cases. • Legal challenges to our statutory authority can disrupt our enforcement efforts, as seen in the recent Supreme Court case, <i>AMG Capital Mgmt., LLC v. FTC</i>. 		

FY 2020 Progress Update

The agency continued to focus its resources on areas that cause the greatest harm to consumers. For example, the agency worked with other enforcement authorities and stakeholders to stop scammers and others engaging in unfair and deceptive business practices during the novel Coronavirus Disease 2019 (COVID-19) crisis. The FTC sent letters to hundreds of companies and individuals warning them to stop making unsubstantiated claims that their products and therapies can treat, prevent, or cure COVID-19, the disease caused by the novel coronavirus. The FTC and Federal Communication Commission sent joint letters to companies providing Voice over Internet Protocol (VoIP) services, warning them that routing and transmitting illegal robocalls, including COVID-19-related scam calls, is illegal and may lead to federal law enforcement against them. Separately, the FTC also sent letters to VoIP service providers and other companies warning them that “assisting and facilitating” illegal telemarketing or robocalls related to the COVID-19 pandemic is against the law. Many of these calls prey upon consumers’ fear of the virus to perpetrate scams or sow disinformation. The FTC and Small Business Administration (SBA) sent warning letters to companies that may be misleading small businesses seeking SBA loans as a result of the COVID-19 crisis. The letters highlight claims by the companies that could lead consumers to believe the companies are affiliated with the SBA, or that consumers can apply on their websites for loans through the Paycheck Protection Program (PPP) or other programs authorized by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Additionally, the FTC sent warning letters to a number of multi-level marketing companies to remove and address claims that they or their participants are making about their products’ ability to treat or prevent COVID-19, about the earnings people who have recently lost income can make, or both. The FTC also brought enforcement actions against Ponte Investments, Marc Ching (doing business as Whole Leaf Organics), Golden Sunrise Nutraceutical, SuperGoodDeals.com, QYK Brands (d/b/a Glowyy), Zaappaaz, and American Screening, for making false claims related to COVID-19. The FTC issued an administrative complaint against Traffic Jam Events charging multiple counts of deceptive conduct including making false claims related to COVID-19.

In the area of deceptive marketing, University of Phoenix (UOP) and its parent company, Apollo Education Group, agreed to settle for a record \$191 million to resolve FTC charges that they used deceptive advertisements that falsely touted their relationships and job opportunities with companies such as AT&T, Yahoo!, Microsoft, Twitter, and The American Red Cross. Under the settlement, UOP agreed to pay \$50 million in cash as well as cancel \$141 million in debts owed to the school by students who were harmed by the deceptive ads. This is the largest settlement the Commission has obtained in a case against a for-profit school.

Multi-level marketer AdvoCare International and its former chief executive officer agreed to pay \$150 million and be banned from the multi-level marketing business to resolve FTC charges that the company operated an illegal pyramid scheme that deceived consumers into believing they could earn significant income as “distributors” of its health and wellness products. Two top promoters also settled charges that they promoted the illegal pyramid scheme and misled consumers about their income potential, agreeing to a multi-level

marketing ban and a judgment of \$4 million that will be suspended when they surrender substantial assets. The FTC complaint filed in federal court also charged two other top AdvoCare promoters with unlawfully promoting a pyramid scheme, making deceptive earnings claims, and providing others with the means and instrumentalities to do the same.

In the area of privacy, the FTC brought its first case against a “stalking” app, which allows remote monitoring of any devices on which the apps are installed. In a settlement with the FTC, Retina-X Studios, the developers of three “stalking” apps, agreed to be barred from selling apps that monitor consumers’ mobile devices unless they take certain steps to ensure the apps will only be used for legitimate purposes. The FTC alleged that Retina-X and its owner, James N. Johns, Jr., developed three mobile device apps that allowed purchasers to monitor the mobile devices on which they were installed, without the knowledge or permission of the device’s user. Retina-X and Johns marketed one of the apps, called MobileSpy, to monitor employees and children. Retina-X promoted two other apps, called PhoneSheriff and TeenShield, to monitor mobile devices used by children. The FTC alleged that while Retina-X claimed in its legal policies that the apps were intended for monitoring employees and children, Retina-X did not take any steps to ensure that its apps were being used only for legitimate and lawful purposes. Retina-X sold more than 15,000 subscriptions to all three stalking apps before the company stopped selling them in 2018. The settlement resolves allegations that these apps compromised the privacy and security of the consumer devices on which they were installed.

As in past years, the FTC focused on its greatest asset in protecting consumers—its staff. FTC staff has continued to work to identify, develop, and communicate best practices and updated procedures to maximize the efficiency of the FTC’s consumer protection work. BCP also continued to make law enforcement training a priority in FY 2020. BCP continued to expand the content on BCP Lit, its widely used internal training and information platform. BCP added new training materials, legal resources, and investigation and litigation advice to BCP Lit, as well as revised and updated existing training content. BCP also conducted a variety of seminars, brown bags, and lectures on topics such as collections issues and remote depositions. BCP also sent a number of staff attorneys to deposition trainings run by the District of Columbia Bar. BCP approved training for investigators to become qualified as Certified Fraud Examiners. In addition, BCP’s Office of Technology Research and Investigation worked to keep BCP’s staff current and tech-savvy, providing training and seminars on topics such as advertising industry market dynamics, online manipulation, creepware apps, misuse of payment data from web skimming, methods of detecting deepfakes and authenticating original media, and using mobile phone data to inform COVID-19 public health response. BCP also continued to offer its mentoring program to staff.

BCP also continued to allocate resources to identifying opportunities to streamline its investigatory processes and minimize the burden imposed on legitimate business practices. BCP devoted significant time to identifying litigation support tools that will enhance staff efficiency and effectiveness in investigation and litigation.

BCP faces resource challenges such as rising costs for expert witness contracts, travel (before pandemic-related restrictions were instituted and after they are lifted), and litigation support tools. Overcoming these challenges is critical as BCP litigates larger and more complex cases involving traditional frauds, as well as cases in emerging technologies, privacy and data security, and deceptive advertising in new media channels.

FY 2021-2022 Next Steps and Future Actions to Meet Strategic Objective

- Evaluate whether enforcement activities are tracking the areas of greatest concern and whether new practices or technologies require additional law enforcement focus.
- Evaluate the effectiveness of the FTC’s enforcement efforts in those areas in which a baseline measure can be determined.
- Continue to evaluate the efficacy of promulgated rules and regulations and other policy documents.
- Evaluate and implement options for continuing to secure relief for consumers post-AMG Capital Mgmt., LLC v. FTC.
- Continue to evaluate the efficacy of promulgated rules and regulations and other policy documents.
- Evaluate and implement options for continuing to secure relief for consumers post-AMG Capital Mgmt., LLC v. FTC.

Performance Measures

Performance Goal 1.1.1: Percentage of the FTC’s consumer protection law enforcement actions that targeted the subject of consumer complaints to the FTC.

The FTC collects complaints about a host of consumer issues, including fraud, identity theft, financial matters, and Do Not Call violations. Complaints are integral to determining the areas of greatest concern and injury to consumers. This measure gauges how well the FTC’s consumer protection law enforcement actions target the subject of consumer complaints.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
91.2%	94.4%	89.6%	87.8%	90.5%	80%	Exceeded	80%	

FY 2020 Highlights: In FY 2020, 90.5 percent, or 57 of 63, of BCP’s law enforcement actions targeted the subject of consumer complaints to the FTC. Because BCP augments identification of targets from its databases with other strategies for generating enforcement leads—such as monitoring compliance with FTC orders, ad monitoring, internet surfs, mobile application surveys, and direct referrals from government and private-sector partners—the results vary from year to year.

Performance Goal 1.1.2: Rate of customer satisfaction with the FTC’s Consumer Response Center.

This goal measures how satisfied consumers are with the FTC’s Consumer Response Center, which is responsible for collecting consumer complaints. Satisfaction is measured separately for consumers filing complaints through online forms (a), and for those filing complaints through the call center (b). The Consumer Response Center is often consumers’ first contact with the FTC, and if consumers do not have a satisfactory experience, they may be less likely to file complaints. Consumer complaints help the FTC to identify consumer protection issues and trends in the fast-changing, increasingly global marketplace.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
(a) 81 (b) 83	(a) 80 (b) 84	(a) 80.3 (b) 85.0	(a) 81.2 (b) 84	(a)82.5 (b)84	(a) 75 (b) 64	(a) Exceeded (b) Exceeded	(a) average satisfaction rate from ACSI’s E-Government Satisfaction Index (b) standard rate for call centers from the Citizen Service Levels Interagency Committee	

FY 2020 Highlights: The FTC’s Consumer Response Center continues to perform above the private and public industry benchmarks. The FTC Call Center maintained an overall satisfaction score of 84, and online forms maintained an overall satisfaction score of 82.5.

Key Performance Goal 1.1.3: Total consumer savings compared to the amount of FTC resources allocated to consumer protection law enforcement.

This measure tracks the efficiency of the FTC’s consumer protection law enforcement spending. We compare how much money the FTC saves consumers each year through law enforcement to the amount the FTC spends on consumer protection law enforcement. Consumer savings are comprised of: (a) the amount of money returned to consumers and (b) an estimate of the amount of harm that would have occurred but for the FTC’s law enforcement action. To calculate this latter figure, the FTC assumes that the unlawful conduct would have continued for one year but for the FTC’s action. The FTC also assumes that the amount of harm that would have occurred in that year is the same as what consumers lost in the past. Performance Goals 2.1.3 and 2.1.5 are similar measures that track the impact of antitrust law enforcement. The amount reported is a three-year rolling average (average of the current year and two prior year totals).

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
\$8.80 in consumer savings per \$1 spent	\$35.20 in consumer savings per \$1 spent	\$39.00 in consumer savings per \$1 spent	\$ 38.60 in consumer savings per \$1 spent	\$14.40 in consumer savings per \$1 spent.	\$7.00 in consumer savings per \$1 spent	Exceeded	\$7.00 in consumer savings per \$1 spent	

FY 2020 Highlights: The agency saved consumers on average over 14 times the amount of resources devoted to the consumer protection program in the past three years, or an average of \$1.4 billion per year. This is largely attributable to the Online Trading Academy, Western Union, and RevenueWire cases. Although the results for FY 2020 are more than double the target, the amount reported in FY 2020 decreased from prior years because the \$7.3 billion in consumer redress for the Volkswagen case, which was part of the FY 2017 result, is no longer included in the three-year average.

Key Performance Goal 1.1.4: The amount of money the FTC returned to consumers or forwarded to the U.S. Treasury resulting from FTC enforcement action.

This goal tracks the FTC’s effectiveness in returning money to consumers who were defrauded and forwarding money to the U.S. Treasury (e.g., if sending money to individuals is impracticable, or if funds were paid as a civil penalty). The FTC targets law enforcement efforts on violations that cause the greatest amount of consumer harm; the amount of money returned to consumers or forwarded to the U.S. Treasury is a useful indicator that the FTC is targeting the right defendants. The number reported is a three-year rolling average (average of the current year and two prior year totals).

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
\$95.2 million	\$2.69 billion	\$3.25 billion	\$ 3.52 billion	\$2.79 billion	\$65 million	Exceeded	\$65 million ¹	\$65 million

FY 2020 Highlights: In the last three years, the annual average of the total amount returned to consumers and forwarded to the U.S. Treasury is \$2.79 billion. In FY 2020, the FTC returned \$131.8 million to consumers and forwarded \$5.0 billion to the U.S. Treasury. FTC returned money to more than 2.2 million consumers in dozens of cases, including Office Depot, LifeLock, Helping America Group, and I Works. The money returned to the U.S. Treasury included civil penalties obtained in settlements with Facebook, Kohl’s, and HyperBeard. In addition, in FY 2020, some FTC orders required defendants to self-administer refund programs worth more than \$510.8 million in refunds to consumers, including University of Phoenix, AT&T Mobility, and Western Union.

¹In April 2021, the United States Supreme Court ruled in *AMG Capital Management v. FTC* that the FTC is unable seek monetary relief under Section 13(b) of its authority, which previously served as the primary means by which the Commission returned money to consumers. See *AMG Capital Mgmt., LLC v. FTC*, No. 19-508, 593 U.S. __, slip op. (Apr. 22, 2021), https://www.supremecourt.gov/opinions/20pdf/19-508_l6gn.pdf.

Other Indicators

Indicator 1.1.IND.1: Number of complaints collected and entered into the Consumer Sentinel Network (CSN) database.

The agency assimilates a large number of consumer complaints, including complaints about Do Not Call violations. The agency receives these complaints from a variety of sources, including direct consumer complaints to the FTC and complaints received by the FTC’s partners. In this manner, the FTC will collect robust information to inform its law enforcement efforts.

FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual
9.7 million	8.7 million	8.5 million	8.3 million

Indicator 1.1.IND.2: The percentage of redress cases in which money designated for distribution is mailed to consumers within 6 months.

This indicator ensures that the FTC returns redress dollars to injured consumers as quickly as possible. Money is considered “designated for distribution” when the FTC is in receipt of all funds, legal issues are resolved, and a usable claimant list is ready. If there is a claims process in which consumers must apply for a refund, then dollars are “designated for distribution” after all claims have been reviewed and verified.

FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual
95.5%	90.9%	91.7%	93.1%

Indicator 1.1.IND.3: Number of contributors to the Consumer Sentinel Network.

CSN allows members to access consumer complaints submitted directly to the FTC, as well as complaints shared by the following data contributors, federal partners, multiple state Attorneys General (AGs), private companies, and non-profit organizations. By expanding the number of data contributors, the FTC will have better information with which to inform its law enforcement efforts. This number counts current, active data contributors that collect data from the general public and directly enter that data into Sentinel. This number does not count entities that refer consumers to the FTC Complaint Assistant. Sentinel does not include data from commercial data brokers or information resellers.

FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual
N/A	42	43	44

Objective 1.2: Provide consumers and businesses with knowledge and tools that provide guidance and prevent harm.

Goal Leaders: Director, Bureau of Consumer Protection; Director, Bureau of Economics

Strategies, External Factors, and Risks

Strategy	Related Performance Measures	Related External Factors
Focus consumer and business education where deception, unfair practices, and information gaps cause the greatest injury.	Indicator 1.2.IND.2 Indicator 1.2.IND.3	<ul style="list-style-type: none"> • Budget for printing and distribution • Budget for content creation and web services
<p>Potential Risks</p> <ul style="list-style-type: none"> • Budgetary limitations affect the FTC’s ability to increase dissemination of information. • Budgetary limitations affect the FTC’s ability to maximize its reach through its web services. 		
Strategy	Related Performance Measures	Related External Factors
Creatively use new technologies and private and public partnerships to reach new and underserved audiences.	Indicator 1.2.IND.1 Indicator 1.2.IND.3	<ul style="list-style-type: none"> • Budget for staff
<p>Potential Risks</p> <ul style="list-style-type: none"> • Budgetary limitations on staff size and contracted communication support affect the FTC’s ability to increase outreach. 		
Strategy	Related Performance Measures	Related External Factors
Educate consumers about how to avoid identity theft and provide information to victims.	Measure 1.2.1 Indicator 1.2.IND.1 Indicator 1.2.IND.2 Indicator 1.2.IND.3	<ul style="list-style-type: none"> • Budget for printing and distribution • Budget for content creation and web services • Budget for staff
<p>Potential Risks</p> <ul style="list-style-type: none"> • Budgetary limitations affect the FTC’s ability to increase dissemination of information. • Budgetary limitations affect the FTC’s ability to maximize its reach through its web services. • Budgetary limitations on staff size and contracted communication support affect the FTC’s ability to increase outreach. 		

Strategy	Related Performance Measures	Related External Factors
Increase public awareness by publicizing the FTC consumer complaint and identity theft websites and toll free numbers.	Indicator 1.2.IND.1 Indicator 1.2.IND.3	<ul style="list-style-type: none"> Budget for staff
Potential Risks <ul style="list-style-type: none"> Budgetary limitations on staff size and contracted communication support affect the FTC's ability to increase outreach. 		

Strategy	Related Performance Measures	Related External Factors
Provide more educational resources for small businesses.	Indicator 1.2.IND.2 Indicator 1.2.IND.3	<ul style="list-style-type: none"> Budget for printing and distribution
Potential Risks <ul style="list-style-type: none"> Budgetary limitations affect the FTC's ability to increase dissemination of information. 		

Strategy	Related Performance Measures	Related External Factors
Continue to focus on underserved communities and other population segments including communities of color, non-English speaking consumers, older adults, lower-income communities, children and parents, and veterans and military service members.	Indicator 1.2.IND.1 Indicator 1.2.IND.2	<ul style="list-style-type: none"> Budget for printing and distribution Budget for staff
Potential Risks <ul style="list-style-type: none"> Budgetary limitations affect the FTC's ability to increase dissemination of information. Budgetary limitations on staff size and contracted communication support affect the FTC's ability to increase outreach to underserved communities and other population segments. 		

FY 2020 Progress Update

- COVID-19:** The FTC developed a multi-media campaign, complete with a dedicated website, Coronavirus Pandemic (COVID-19): The FTC in Action (ftc.gov/coronavirus; ftc.gov/coronavirus/es). The site contains a library of more than 120 consumer and business blog posts and scam alerts on topics ranging from relief checks and treatment claims to charity fraud, government imposter scams, and misinformation and rumors. The site also houses robocall recordings, videos on avoiding COVID-19 scams and Economic Impact Payment scams, social media shareables, infographics, and materials in other languages. Recognizing the once-in-a-generation economic shift resulting from the pandemic, the FTC developed materials on the Financial

Impact of the Coronavirus, and will continue its work to inform and protect consumers in this challenging environment.

- **Outreach to Specific Consumer Audiences:** The FTC creates tailored messages and materials for diverse audiences and collaborates with partner organizations and agencies to disseminate FTC information to their constituents in those target communities. For example, the FTC's Pass It On campaign ([ftc.gov/PassItOn](https://www.ftc.gov/PassItOn) and [ftc.gov/Pasalo](https://www.ftc.gov/Pasalo) in Spanish), tailored to people age 65 and older, is a research-based campaign to share information about fraud and encourage readers to share the information with a friend. The agency continues to promote these resources through webinars and presentations in collaboration with other federal agencies such as the Consumer Financial Protection Bureau, local government offices on aging, legal services providers, non-profit organizations such as AARP, and at the World Elder Abuse Awareness Day Global Summit.
- **Outreach to Military Service Members:** The FTC has reached military service members through a continued, years-long collaboration with the Department of Defense Office of Financial Readiness and other military partners. The FTC's resources, found at [MilitaryConsumer.gov](https://www.MilitaryConsumer.gov), are shared by the agency and its partners through social media outreach and media coverage, and culminate in national outreach efforts each year during July's Military Consumer Month.
- **Protecting Small Businesses:** The FTC developed and has been promoting, presenting, and disseminating clear, easy-to-use resources that inform small businesses about cyber threats and provide tips on how to deal with them. These materials, which are co-branded with the National Institute of Standards and Technology (NIST), the Department of Homeland Security (DHS), and the Small Business Administration (SBA), enable business owners to better understand cybersecurity and train their employees. The agency has also focused on expanding the reach of its Spanish language campaign materials, in collaboration with Small Business Development Corporations. Further, in collaboration with the SBA and the Better Business Bureau, the FTC has been promoting and disseminating its "Scams and Your Small Business" guide in English and Spanish, which describes common scams and the steps businesses can take to avoid them.

The FTC continues to encounter challenges in meeting the demand for educational materials available in print. The agency works to mitigate these issues through judicious use of funding, publication revisions, streamlining the catalog of printed materials, and emphasizing materials available on the agency's website.

FY 2021-2022 Next Steps and Future Actions to Meet Strategic Objective

- Measure the number of education messages disseminated each year and assess the number and range of public and private sector organizations that partner with the FTC on outreach.
- Review the focus of FTC education efforts; determine whether the agency needs to reach new audiences in light of changes in demographics, emerging digital advertising

issues and deceptive marketing practices, and emerging technologies; and identify strategies or partnerships that will allow the FTC to reach those audiences.

- Develop resources for children to help them apply critical thinking skills to decisions around consumer protection issues.

Performance Measures

Key Performance Goal 1.2.1: Rate of consumer satisfaction with FTC consumer education websites.

This measure gauges the effectiveness, helpfulness, and usability of the FTC’s consumer education websites. Consumer education serves as the first line of defense against deceptive and unfair practices. Well-informed consumers are better able to protect themselves from bad actors in the marketplace. This measure includes the customer satisfaction scores for [Consumer.ftc.gov](https://consumer.ftc.gov) and [Bulkorder.ftc.gov](https://bulkorder.ftc.gov). Starting in FY 2020, the FTC is reporting the customer satisfaction score through the desktop survey on [Consumer.ftc.gov](https://consumer.ftc.gov).

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
76	77	76.5	77.7	76.2	75.5	Exceeded	Average satisfaction rate from ACSI's E-Government Satisfaction Index	

FY 2020 Highlights: In FY 2020, the FTC used the desktop survey on [Consumer.ftc.gov](https://consumer.ftc.gov) to determine the rate of customer satisfaction with FTC consumer education websites. The rate of customer satisfaction for [Consumer.ftc.gov](https://consumer.ftc.gov) (desktop) was 76.2. The average citizen satisfaction score for participating federal government websites was 75.5.

Due to customer satisfaction survey changes during FY 2020, the FTC can no longer report a combined score for [Consumer.ftc.gov](https://consumer.ftc.gov) and [Bulkorder.ftc.gov](https://bulkorder.ftc.gov). The [Consumer.ftc.gov](https://consumer.ftc.gov) desktop survey receives the most responses, so the FTC will report this score starting in FY 2020.

Performance Goal 1.2.2: Number of workshops and conferences the FTC convened that address consumer protection issues.

The FTC convenes workshops and conferences through which experts and other experienced and knowledgeable parties discuss significant consumer protection issues and ways to address those issues. This indicator helps the FTC ensure that enforcement and education efforts are augmented by encouraging discussions among all interested parties, as well as empirical research on novel or challenging consumer protection problems.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
12	19	11	12	13	10	Exceeded		10

FY 2020 Highlights: In FY 2020, the FTC convened or co-sponsored 13 workshops and conferences that addressed consumer protection problems. These events brought together over 9,500 participants.

Performance Goal 1.2.3: Number of consumer protection reports the FTC released.

FTC staff prepare reports regarding current important topics in consumer protection, and these reports are the basis for this measure. Consumer protection reports provide information to policy makers, both internally and externally, to help them understand important contemporary issues. This measure also ensures that the FTC releases a variety of informative reports to the public that help promote the understanding and awareness of consumer protection issues.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
8	10	18	11	23	10	Exceeded		10

FY 2020 Highlights: In FY 2020, the FTC published 23 consumer protection-related reports in areas including cigarettes, smokeless tobacco, privacy and data security, protecting older consumers, mass-market consumer fraud, social media bots and advertising, and navigating auto sales and financing. Among these 23 were two annual reports: the Do-Not-Call Registry Data Book and the Consumer Sentinel Network Data Book.

Other Indicators

Indicator 1.2.IND.1: Number of federal, state, local and international, and private partnerships to maximize the reach of consumer and business education campaigns.

This indicator helps determine the extent to which the FTC’s print education publications reach consumers through federal, state, local, international, and private organizations. Organizations, such as congressional offices, state AGs, small businesses, schools, police departments, and banks, work as partners with the FTC by distributing these materials to their clients and customers. These organizations can order free bulk quantities of education materials via an online order system: <https://www.bulkorder.ftc.gov>. For a measure of the quantity of publications distributed, see Indicator 1.2.IND.2.

FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual
12,944	12,705	14,346	8,800*

* The COVID-19 pandemic caused a significant decrease in the number of orders received for print publications from unique organizations in FY20.

Indicator 1.1.IND.2: Number of consumer protection messages accessed (a) in print and (b) digitally.

These indicators gauge the reach of the agency’s education messages for consumers and businesses in print and via the web. The print measure counts the total quantity of publications ordered from Bulkorder.ftc.gov. The digital indicator counts the number of page views of FTC consumer education articles, blog posts, and other materials on FTC websites, as well as the page views of FTC business education plain-language guidance articles and blog posts.

FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual
(a)14.5 million (b)N/A	(a)13.2 million (b) 45.2 million	(a)13.7 million (b) 49.5 million	(a) 8.9 million* (b) 47.5 million

* The COVID-19 pandemic caused a significant decrease in the total number of print publications distributed in FY20.

Indicator 1.2.IND.3: Number of social media followers and email subscribers.

This indicator gauges the extent of consumer and business outreach via social networks and email communications.

FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual
481,064	512,545	449,048	620,099

Objective 1.3: Collaborate with domestic and international partners to enhance consumer protection.

Goal Leaders: Director, Bureau of Consumer Protection; Director, Office of International Affairs; Director, Office of Policy Planning

Strategies, External Factors, and Risks

Strategy	Related Performance Measures	Related External Factors
<p>Work with domestic and international partners, in government and the private sector, to share information.</p>	<p>Measure 1.3.1</p>	<ul style="list-style-type: none"> • The FTC has limited control over the extent to which state, local, and other federal agencies, as well as private entities, will provide information or cooperate with the FTC on law enforcement matters. • Changes to the agency budget and staffing levels.
<p>Potential Risks</p> <ul style="list-style-type: none"> • Budget limitations could lead to fewer investigations and cases, which could decrease the amount of information sharing with domestic and international partners. 		

Strategy	Related Performance Measures	Related External Factors
<p>Share information, engage in investigative assistance, and otherwise develop and strengthen enforcement cooperation on investigations, cases, and enforcement-related projects with agency and law enforcement counterparts.</p>	<p>Measure 1.3.2</p>	<ul style="list-style-type: none"> • The FTC has limited control over the extent to which foreign governments will provide information or cooperate with the FTC on law enforcement matters. Data-protection rules in Europe and other jurisdictions may present information sharing challenges. In addition, foreign legal rules often prohibit or limit foreign courts from recognizing or enforcing FTC judgments and orders, including asset preservation or collection orders. • The impact of the COVID-19 pandemic on foreign consumer protection agencies. • The U.S. SAFE WEB Act lapsed on September 30, 2020. The Act was renewed and signed into law for an additional seven years on October 20, 2020. In the months immediately leading up to the 2020 sunset date, OIA was unable to move forward several matters that required SAFE WEB authority due to concerns that the statute would lapse before the matter was complete.
<p>Potential Risks</p> <ul style="list-style-type: none"> • Hurdles to information sharing can stifle enforcement efforts. • Due to COVID-19, some foreign counterparts may not have the resources to cooperate with the FTC during the pandemic. • The FTC uses its U.S. SAFE WEB Act authority to expand its international enforcement efforts and continues its outreach efforts to foreign governments to increase cooperation. With the Act due to sunset in 2027, it may be difficult for the agency to enter new, long-term cooperation arrangements without having the information sharing and investigative assistance authority provided by the Act as part of its permanent authority. 		

Strategy	Related Performance Measures	Related External Factors
<p>Actively participate in multinational organizations that engage in cooperative enforcement against mass-marketing fraud, messaging abuses, and privacy and data security breaches.</p>	<p>Measure 1.3.2</p>	<ul style="list-style-type: none"> • The FTC has limited control over the extent to which foreign governments will provide information or cooperate with the FTC on law enforcement matters. Data-protection rules in Europe and other jurisdictions may present information sharing challenges. In addition, foreign legal rules often prohibit or limit foreign courts from recognizing or enforcing FTC judgments and orders, including asset preservation or collection orders. • The impact of the COVID-19 pandemic on multinational organizations. • The U.S. SAFE WEB Act lapsed on September 30, 2020. The Act was renewed and signed into law for an additional seven years on October 20, 2020. In the months immediately leading up to the 2020 sunset date, OIA was unable to move forward several matters that required SAFE WEB authority due to concerns that the statute would lapse before the matter was complete.
<p>Potential Risks</p> <ul style="list-style-type: none"> • Hurdles to information sharing can stifle enforcement efforts. • The FTC uses its U.S. SAFE WEB Act authority to expand its international enforcement efforts and continues its outreach efforts to foreign governments to increase cooperation. With the Act due to sunset in 2027, it may be difficult for the agency to enter new, long-term cooperation arrangements without having the information sharing and investigative assistance authority provided by the Act as part of its permanent authority. • Due to the COVID-19 pandemic, some of these multinational organizations and networks may operate only virtually or with reduced goals. • Due to the COVID-19 pandemic, the priorities of some of these multinational organizations and networks may not align fully with those of the FTC. 		

Strategy	Related Performance Measures	Related External Factors
Provide policy advice to foreign consumer protection agencies.	Measure 1.3.3	<ul style="list-style-type: none"> • The FTC has limited control over whether foreign governments or international bodies will consider or implement policy proposals given their own political considerations, domestic stakeholder concerns, etc. • The impact of the COVID-19 pandemic on foreign consumer protection agencies. • Availability of foreign agency resources.
<p>Potential Risks</p> <ul style="list-style-type: none"> • Due to the COVID-19 pandemic, the priorities of some foreign consumer protection agencies may not align fully with those of the FTC. • Foreign agencies might not have the resources to devote to international engagement. 		

Strategy	Related Performance Measures	Related External Factors
Provide technical assistance to countries establishing consumer protection regimes, as well as providing selected foreign officials with an opportunity to work alongside FTC attorneys, investigators, and economists to learn about the FTC’s approach to consumer protection enforcement and to promote further cooperation.	Measure 1.3.3	<ul style="list-style-type: none"> • Availability of external resources. • Support of U.S. embassies abroad. • Willingness of foreign governments to accept U.S. technical assistance. • The impact of the COVID-19 pandemic on foreign consumer protection agencies.
<p>Potential Risks</p> <ul style="list-style-type: none"> • Providing international technical assistance would be hampered if external resources are not available, U.S. embassies abroad are not supportive, or foreign governments are not willing to accept U.S. assistance and advice. • The International Fellows Program may be hampered if travel restrictions due to COVID-19 continue. 		

Strategy	Related Performance Measures	Related External Factors
Target advocacy activities to encourage federal regulators to ensure proper consumer protections are in place. Utilize amicus briefs to assist in consistent interpretation of statutes.	Measure 1.3.4 Indicator 1.3.IND.1	<ul style="list-style-type: none"> • Domestic advocacy seeks to influence the decisions made by federal regulators. Those regulators often receive pressure from other organizations, who may be making recommendations that are not consistent with the FTC’s.
<p>Potential Risks</p> <ul style="list-style-type: none"> • Advocacy efforts may not achieve anticipated results due to opposition or conflict with outside influencers. 		

FY 2020 Progress Update

- **Domestic Collaboration:** In the enforcement area, the FTC worked closely with its federal, state, local, and international partners on numerous investigations, exceeding the targets for collaboration with both domestic and international counterparts to enhance consumer protection. The agency's collaborative domestic efforts included its case against Corporate Compliance Services, brought with the State of Florida, in which the defendants allegedly tricked business owners into buying labor law posters by sending mailers that mimic invoices from a government agency or authority. In connection with this case, the FTC shared information with and received information from the Florida, Texas, Ohio, and Kansas Offices of the Attorney General, Dallas United States Postal Inspection Service, Department of Labor, Texas Secretary of State, Florida Department of Revenue, and Florida Secretary of State. The FTC also worked closely with its federal, state, and local partners on numerous investigations, including the alleged real estate seminar schemes by Zurixx and Nudge, which the FTC brought with the Utah Division of Consumer Protection, and its telemarketing case against VoIP service provider Globex Telecom brought with the State of Ohio.
- **International Collaboration:** The FTC cooperated with a wide range of foreign agencies and multilateral organizations on 42 investigations, cases, and projects and worked closely with international counterparts on several significant enforcement actions involving large-scale international frauds. These include: the FTC's litigation against a sprawling international scheme, On Point Global, which operated hundreds of websites that promised consumers a quick and easy government service, such as renewing a driver's license or eligibility determinations for public benefit, but did not deliver the promised benefits; the agency's action against RevenueWire, a Canadian-based company, and its CEO, which paid \$6.75 million to settle charges that they laundered credit card payments for, and assisted and facilitated, two tech support scams that the FTC previously sued; and a lawsuit against a Canadian-based operation, Educare Centre Services, which sold sham credit card interest rate reduction services to U.S. consumers through Dominican Republic-based telemarketers and also used a Canada-based VoIP provider, Globex Telecomm (and related individuals), which ultimately settled the FTC's charges for \$2.1 million and significant conduct relief. In these and many other matters, the FTC used its authority under the U.S. SAFE WEB Act (SAFE WEB) to share information or provide investigative assistance to foreign authorities.

The FTC also expanded its online tools for sharing data about international scams, launching two new [interactive dashboards](#) that provide details about international complaints submitted to Consumer Sentinel and [econsumer.gov](#), a site created by members of the International Consumer Protection and Enforcement Network (ICPEN) to gather and share consumer complaints about international scams. With Brazil's National Secretary of Consumer Protection and Colombia's Superintendencia de Industria y Comercio joining [econsumer.gov](#) this year, the [econsumer.gov](#) initiative now includes agencies in 41 countries. [Econsumer.gov](#) complaints help inform the FTC's enforcement. For example, the agency received hundreds of complaints from consumers located in Canada and more than fifty other countries, in addition

to thousands from U.S. consumers, against online retailer Fashion Nova for its ecommerce practices. The company agreed to pay \$9.3 million to settle the FTC's allegations that it failed to notify customers about shipping delays and offer them the right to cancel with a full refund.

The agency also worked closely with our foreign counterparts on COVID-19 matters, including sharing information and consumer education materials on COVID-19 scams with international consumer networks such as ICPEN, the International Mass Marketing Fraud Working Group (IMMFWG) (now GAEN – Global Anti-Fraud Enforcement Network), the Unsolicited Communications Enforcement Network, and the Global Privacy Enforcement Network (GPEN). For example, the FTC assisted ICPEN's fraud prevention efforts by raising awareness of COVID-19 scams through tweets, data analysis, and consumer information on econsumer.gov. Consumer agencies around the world—from Costa Rica to South Korea to Turkey to Zambia—shared this information on social media networks. We also provided input to Latin American countries on a range of COVID-19 consumer issues ranging from cancellations to phishing to health claims. The FTC also contributed to a policy note by the Organization for Economic Cooperation and Development (OECD) on [protecting online consumers during the COVID-19 crisis](#), which is part of the OECD's response to tackling the effects of the pandemic on the economy, and provided input for the United Nations Conference on Trade and Development's (UNCTAD) COVID-19 initiative on issues affecting consumer protection and competition issues.

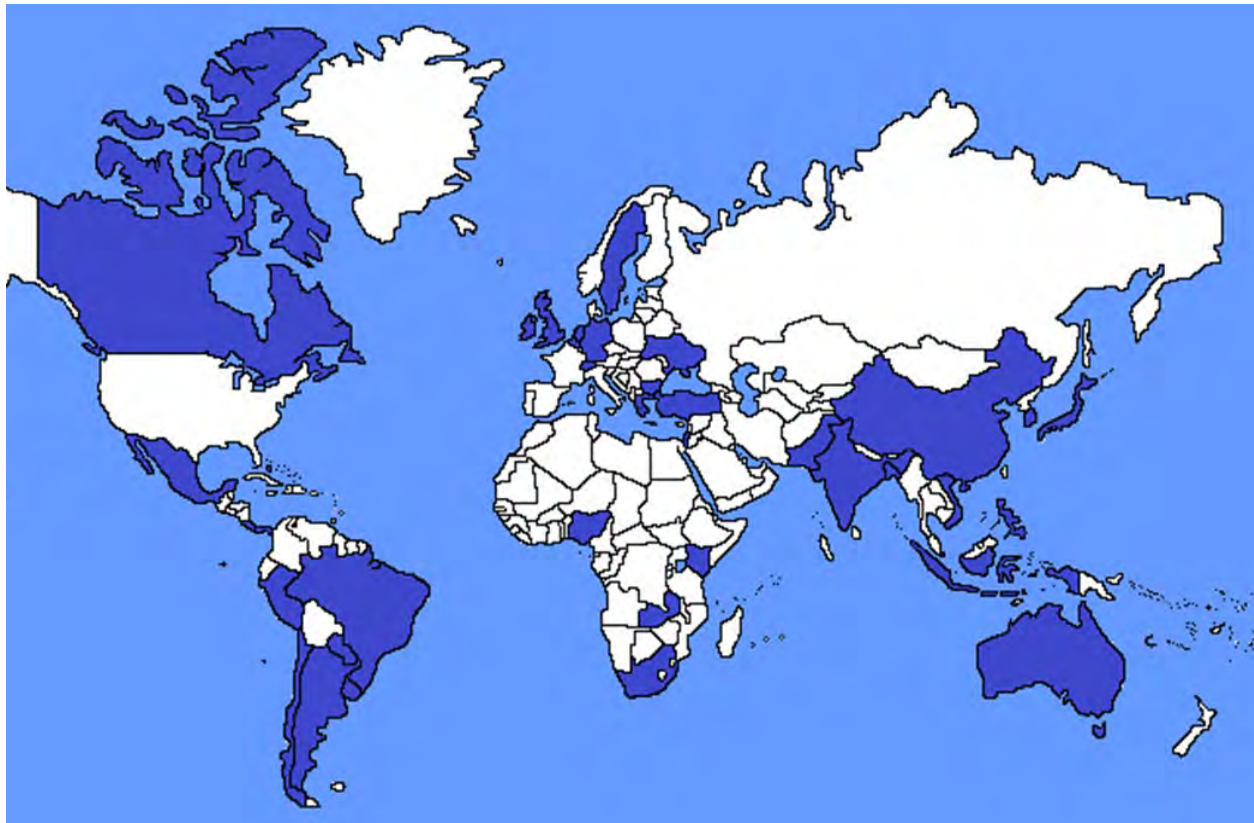
On the enforcement front, the FTC referred to foreign counterparts its warning letters to foreign companies that made unsubstantiated claims that their products and therapies can treat, prevent, or cure COVID-19. In response, some foreign agencies issued their own cease-and-desist letters or took other actions. Most of the foreign entities that received warning letters have complied with the FTC's request that they cease making all such claims for products that they advertise, market, sell, or otherwise promote or make available in the United States. The agency also obtained enforcement cooperation from some foreign regulators with respect to [foreign VoIP providers](#) that facilitated illegal COVID-19 robocalls.

The FTC continued its work to protect consumer privacy in cross-border data transfer systems. The agency helped to expand the Asia-Pacific Economic Cooperation (APEC) Cross-Border Privacy Rules. The agency also continued to implement the EU-U.S. Privacy Shield Framework as well as the Swiss-U.S. Privacy Shield, bringing two enforcement cases in FY 2020. Following the European Court of Justice's invalidation of the Privacy Shield Framework in July 2020, the FTC has worked with the Department of Commerce and other agencies on the continuation of transatlantic data flow that benefit businesses and consumers.

In the policy arena, the FTC has continued to work to develop market-oriented policies that benefit U.S. consumers to complement its international enforcement work. Bilaterally, the FTC provided informal input to agencies that are developing

legislation on digital and privacy issues and participated in negotiating consumer protection provisions in free trade agreements. Multilaterally, the FTC provided comments on a range of policy issues. For example, the FTC took a leading role in the privacy and consumer protection work of the OECD and championed empirical work on [measuring the benefits of consumer protection](#). The FTC also provided its experience with children’s privacy in connection with the [OECD’s review of its guidelines on protecting children online](#). The agency also provided comments to the Organization of American States on privacy principles and to UNCTAD on e-commerce and its consumer protection peer review process. FTC staff have also actively engaged in consumer protection issues related to the Internet Corporation for Assigned Names and Numbers, the organization that deals with Internet domain names, including issues relating to Whois data and privacy laws.

International Consumer Protection Agency Engagement



In addition to the jurisdictions indicated on this map, the FTC provided consumer protection and privacy policy input to multinational organizations such as the OECD, UNCTAD, APEC, and Association of Southeast Asian Nations (ASEAN), as well as technical guidance on enforcement and policy issues to global and regional agency networks such as ICPEN, GPEN, UCENET, FIAGC, RIPD, APPA, and the African Consumer Protection Dialogue.

During FY 2020, the FTC conducted several technical assistance missions and capacity-building training sessions for developing consumer protection and privacy agencies, supported by a mix of funding sources, including in-kind donations from the recipient agencies. The FTC's technical assistance programming included in-person training sessions in Argentina, Chile, India, Paraguay, and Uruguay. Due to COVID-19 travel restrictions, the FTC also organized or participated in virtual capacity-building programs with agencies in Bahrain, Bermuda, Peru, and Singapore. These sessions provided foreign regulators and law enforcers with information on the FTC's approach to emerging digital consumer protection issues, as well as practical investigational skills and tools for cross-border cooperation.

As part of the FTC's International Fellows program, which provides foreign officials with a first-hand appreciation of FTC practices and approaches, the FTC hosted International Fellows from Canada and Zambia during the first half of the year, before the COVID-19 pandemic limited travel. The Fellows worked directly with agency staff on consumer protection matters.

Promoting international cooperation is a long-term endeavor that can be affected by events beyond the agency's control, such as foreign court proceedings and political changes that result in changes in foreign counterpart agencies' policies and staff, and restrict best practices and information exchanges. Political turmoil in certain regions can also make cooperation on particular issues more difficult. The global COVID-19 pandemic presented numerous challenges, but the FTC was able to overcome many of those challenges by using technology creatively to work with its counterparts around the world.

- **Advocacy:** In the consumer protection advocacy area, FTC staff submitted a comment to the National Telecommunications and Information Administration in response to its Request for Comment regarding the development of its approach to consumer privacy.

In a combined consumer protection and competition advocacy letter, FTC staff commented to the Department of Health and Human Services Concerning the 21st Century Cures Act, specifically on the Interoperability, Information Blocking, and ONC Health IT Certification Program rule. DHS issued a final rule that was consistent with FTC's comment. The FTC's BCP staff also commented on the NIST proposal of a voluntary tool aimed at helping organizations start a dialogue about managing privacy risks within their organizations. The comment suggested five changes to the proposed framework.

FY 2021-2022 Next Steps and Future Actions to Meet Strategic Objective

- Continue to collaborate with federal, state, and local partners on investigations.
- Develop new initiatives with foreign counterparts on consumer fraud and other unlawful conduct, finding new ways of working with foreign counterparts due to COVID-19 considerations.

- Continue to highlight the importance of strong enforcement as a key component of consumer protection, including on privacy and data security, and messaging abuses such as robocalls and spam, within the OECD, APEC (including the Digital Commerce Steering Group), the Global Privacy Assembly (formerly the International Conference of Data Protection and Privacy Commissioners), and other multilateral policy organizations.
- Continue to engage with other U.S. government agencies and with European governments and privacy and data protection authorities to develop mechanisms for transatlantic data flows consistent with strong privacy protections.
- Work closely through GPEN and directly with foreign data protection authorities to provide enforcement assistance, which, in appropriate cases, could include information sharing and investigative assistance pursuant to the U.S. SAFE WEB Act.
- Engage in enforcement cooperation pursuant to the APEC Cross-Border Privacy Rules (CBPR) and work to expand membership in the CBPR system.
- Work with international partners to strengthen cooperation among enforcement partners, bilaterally and through multilateral organizations such as the ICPEN, UCENet, and the IMMFWG (now GAEN – Global Anti-Fraud Enforcement Network). Enhanced cooperation may include new and expanded initiatives with foreign criminal authorities and private sector partners, particularly in countries that are increasingly the source of fraud directed at American consumers.
- Seek permanent reauthorization of the U.S. SAFE WEB Act, which provides the FTC with critical tools for cross-border enforcement and cooperation. On October 20, 2020, the Act was reauthorized with a seven-year sunset provision, expiring in 2027.
- Using the SAFE WEB tools and other mechanisms for cross-border cooperation, including technology-based systems, continue to create and sustain international partnerships and networks to pursue matters involving foreign defendants, evidence, and assets. Continue to participate in the implementation and review of the OECD's 2016 Guidelines on Consumer Protection in the Context of Electronic Commerce and the revised United Nations (UN) Guidelines on Consumer Protection, including by participating in high-level OECD conferences such as the June 2021 conference on the consumer marketplace of the future, which will shape the OECD's work in this area going forward.
- Further develop empirical evidence internationally on effects of new technologies and business models on consumer behavior, including work on measuring the effects of consumer protection, such as measuring harm from consumer fraud and consumer law violations.
- Engage with the Intergovernmental Group of Experts on Consumer Protection at the UNCTAD to develop and implement best practices under the revised 2015 UN Guidelines on Consumer Protection and develop new opportunities for capacity building and technical cooperation with developing agencies.

- Continue to work with other U.S. government agencies as appropriate to address global issues of mutual concern, including by engaging with agencies that are developing legislation on consumer and privacy issues, and by participating in the negotiation of consumer protection provisions of trade agreements.
- Continue to participate actively in enforcement networks such as ICPEN, IMMFWG (now GAEN – Global Anti-Fraud Enforcement Network), GPEN, and UCENet and encourage coordinated enforcement actions that protect U.S. consumers. Continue to engage in technical assistance and capacity-building activities in jurisdictions such as India, with a focus on preventing fraud aimed at American consumers and enhancing enforcement cooperation to combat deceptive schemes.
- Further develop the International Fellows and staff exchange programs.
- File comments or otherwise engage in advocacy with local, state, federal, and foreign government entities that evaluate the costs and benefits of proposed policies on consumers and an awareness of the intersection of competition and consumer protection concerns.
- File amicus briefs with federal courts, when appropriate, to address issues that affect consumer protection.
- Evaluate whether the advice and comments (e.g., advocacy filings, amicus briefs, etc.) that the FTC provides to local, state, and federal government entities on consumer protection policies have been considered and adopted.

Performance Measures

Performance Goal 1.3.1: Number of investigations or cases in which the FTC and other U.S. federal, state and local government agencies shared evidence or information that contributed to FTC law enforcement actions or enhanced consumer protection.

This measure tracks the amount of information sharing by the FTC and other domestic law enforcement agencies to further the goal of protecting consumers from fraud. The geographic location and other demographics may affect the types of fraud that consumers encounter, making it important for government agencies to share information and resources to enhance consumer protection.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
387	359	369	453	551	375	Exceeded	375	

FY 2020 Highlights: BCP continues to place an emphasis on leveraging resources with domestic partners and encourages staff to work with other U.S. federal, state, and local government agencies to further the goal of protecting consumers from fraud. In FY 2020, BCP shared information with other U.S. federal, state, and local government agencies in 337 investigations or cases. In FY 2020, BCP received information from other U.S. federal, state, and local government agencies in 214 investigations or cases.

Key Performance Goal 1.3.2: Number of investigations or cases in which the FTC obtained foreign-based evidence or information or engaged in other mutual assistance that contributed to FTC law enforcement actions or in which the FTC cooperated with foreign agencies and/or multilateral organizations on enforcement matters.

OIA works to expand cooperation and coordination between the FTC and international consumer protection partners through information sharing, investigative assistance, and the development of investigative best practices and enforcement capacity. This measure counts the number of investigations and cases in which the FTC and foreign consumer protection agencies shared information or engaged in other enforcement cooperation.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
53	50	43	48	42	40	Exceeded	32	35

FY 2020 Highlights: In FY 2020, the FTC cooperated in 42 instances on consumer protection and privacy matters to obtain or share evidence or engage in other enforcement cooperation in investigations, cases, and enforcement-related projects. Foreign authorities assisted the FTC in activities such as sharing consumer complaints, obtaining corporate records, and providing other investigative information. The FTC also provided assistance to numerous foreign authorities through various mechanisms using its authority under the U.S. SAFE WEB Act and other cooperation tools to share information and provide investigative assistance using compulsory process. On September 24, 2020, Congress reauthorized the SAFE WEB Act, and the legislation was signed into law on October 20, 2020. The FTC also cooperated on enforcement matters with international enforcement organizations such as the ICPEN, the GPEN, the UCENet, and the IMMFWG (now GAEN – Global Anti-Fraud Enforcement Network).

Performance Goal 1.3.3: Number of instances of policy advice or technical assistance provided to foreign consumer protection and privacy agencies, directly and through international organizations.

This measure quantifies the FTC’s efforts to develop policies and best practices that promote consumer protection and privacy and data security by assisting countries in developing and implementing consumer protection laws, rules, and best practices. These efforts include providing policy advice, direct technical assistance and capacity building to developing agencies, and professional development opportunities through the International Fellows program.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
66	66	64	71	60	60	Met		60

FY 2020 Highlights: In FY 2020, the FTC provided policy input to foreign consumer protection and privacy agencies in 60 instances. This included policy advice and technical input on a wide range of consumer and privacy policy issues delivered through in-person and virtual seminars, substantive consultations, oral presentations, and written comments. Of the inputs, ten represent either in-person or virtual technical assistance missions to new and developing consumer protection and privacy agencies, and two represent International Fellows from Canada and Zambia who worked alongside FTC staff in support of the consumer protection mission before the COVID-19 pandemic restricted travel to and from the United States.

Performance Goal 1.3.4: Percentage of consumer protection advocacy comments and amicus briefs filed with entities including federal and state legislatures, agencies, or courts that were successful, in whole or in part.

The FTC’s consumer protection advocacy takes many forms—including advocacy comments, amicus briefs, workshops, reports, and testimony. This measure evaluates the success rate for resolved consumer protection advocacy comments and amicus briefs. While the FTC is primarily a law enforcement agency, advocacy work is a cost-effective way to further the FTC’s consumer protection mission by allowing the FTC to address consumer protection issues that may be affected by the actions of public entities, including regulators and legislators.

To determine whether an advocacy comment or amicus brief is successful, staff waits for the relevant case, legislative process, or agency rulemaking to be fully resolved. Once the matter is resolved, the outcome is compared to the policy recommendations within the advocacy comment or the legal arguments set forth in the amicus brief. Advocacies are classified as successful, partially successful, moot, or unsuccessful based on the outcome achieved. The FTC does not attempt to quantify or measure how much effect the FTC’s advocacy had on the decision. While most advocacies contain either consumer protection recommendations or competition recommendations, a few advocacy comments may have both, and thus, are counted in this performance goal as well as Performance Goal 2.2.3.

*Results for this measure are often delayed and are reported as available.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
85.7%	85.7%	*	*	*	60.0%	N/A	60%	

Other Indicator

Indicator 1.3.IND.1: Number of advocacy comments and amicus briefs on consumer protection issues filed with entities, including federal and state legislatures, agencies, and courts.

Whereas Performance Goal 1.3.4 measures the success of the FTC’s consumer protection advocacy comments and amicus briefs, this indicator reports the quantity of consumer protection advocacy comments and amicus briefs filed each year. While the FTC is primarily a law enforcement agency, advocacy work is a cost-effective way to further the FTC’s consumer protection mission and allows the FTC to address situations where consumer protection may be affected by the actions of public entities, including regulators and legislators. While most advocacies contain either consumer protection recommendations or competition recommendations, a few advocacy comments may have both, and thus, are counted in this indicator as well as Indicator 2.2.IND.1.

FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual
7	4	3	2

Strategic Goal 2: Maintain Competition to Promote a Marketplace Free From Anticompetitive Mergers, Business Practices, or Public Policy Outcomes.

Vigorous competition results in lower prices, higher quality goods and services, and innovative and beneficial new products and services. By enforcing the antitrust laws, the FTC helps to ensure that consumers benefit from competition. The FTC's efforts to maintain competition focus primarily on preventing anticompetitive mergers and business practices. The FTC also engages in policy research and development, advocacy, and education to deter anticompetitive practices, reduce compliance costs, and encourage governmental actors at the federal, state, and local levels to evaluate the effects of their policies on competition and consumers. This work is critical to protect and strengthen free and open markets – the cornerstone of a vibrant economy.

Strategic Objectives

The FTC has established three objectives to guide work in this area:

- **Objective 2.1:** Identify and take actions to address anticompetitive mergers and practices.
- **Objective 2.2:** Engage in effective research, advocacy, and stakeholder outreach to promote competition and advance its understanding.
- **Objective 2.3:** Collaborate with domestic and international partners to preserve and promote competition.

Goal 2 and its Strategic Objectives comprise the second of two mission-focused components of the FTC's FY 2020 Performance Report.

Objective 2.1: Identify and take actions to address anticompetitive mergers and practices that harm consumers.

Goal Leaders: Director, Bureau of Competition; Director, Bureau of Economics

Strategies, External Factors, and Risks

Strategy	Related Performance Measures	Related External Factors
Investigate potentially anticompetitive mergers and business conduct, and take enforcement action to maintain competition where appropriate while minimizing undue burdens on legitimate business activity.	Measure 2.1.1 Measure 2.1.2 Measure 2.1.3 Measure 2.1.4 Measure 2.1.5 Indicator 2.1.IND.1 Indicator 2.1.IND.2	<ul style="list-style-type: none"> • Resource constraints • State and federal legislation
<p>Potential Risks</p> <ul style="list-style-type: none"> • Evolving technologies, automation, and intellectual property issues continue to increase the complexity of antitrust investigations and litigation. This complexity, coupled with fluctuations in merger activity and complaints of potentially harmful business conduct, can put pressure on the FTC’s financial and personnel resources. • The ever-evolving legislative landscape, with respect to both federal and state antitrust enforcement authority, may directly impact the Commission’s ability to challenge anticompetitive mergers and business conduct. 		
Strategy	Related Performance Measures	Related External Factors
Use continuous learning to improve negotiation and litigation skills; refine investigative and decisional tools.	Measure 2.1.1 Measure 2.2.1	<ul style="list-style-type: none"> • Resource constraints
<p>Potential Risks</p> <ul style="list-style-type: none"> • Evolving technologies, automation, and intellectual property issues continue to increase the complexity of antitrust investigations and litigation. This complexity, coupled with fluctuations in merger activity and complaints of potentially harmful business conduct, can put pressure on the FTC’s financial and personnel resources. 		

Strategy	Related Performance Measures	Related External Factors
Achieve significant remedial, precedential, and deterrent effects through negotiated merger and nonmerger consent orders and winning litigated orders.	Measure 2.1.1 Measure 2.1.2 Measure 2.1.3 Measure 2.1.4 Measure 2.1.5 Indicator 2.1.IND.1 Indicator 2.1.IND.2	<ul style="list-style-type: none"> • Resource constraints • State and federal legislation

Potential Risks

- Evolving technologies, automation, and intellectual property issues continue to increase the complexity of antitrust investigations and litigation. This complexity, coupled with fluctuations in merger activity and complaints of potentially harmful business conduct, can put pressure on the agency’s financial and personnel resources.
- The ever-evolving legislative landscape, with respect to both federal and state antitrust enforcement authority, may directly impact the Commission’s ability to challenge anticompetitive mergers and business conduct.

Strategy	Related Performance Measures	Related External Factors
Improve compliance with consent decrees and orders and with Hart-Scott-Rodino (HSR) Act reporting obligations.	Measure 2.1.1	<ul style="list-style-type: none"> • Resource constraints

Potential Risks

- Evolving technologies, automation, and intellectual property issues continue to increase the complexity of antitrust investigations and litigation. This complexity, coupled with fluctuations in merger activity and complaints of potentially harmful business conduct, can put pressure on the agency’s financial and personnel resources.

Strategy	Related Performance Measures	Related External Factors
Provide transparency in the decision-making process through analyses to aid public comment and updating guidance, etc.	Measure 2.1.1 Measure 2.2.1 Measure 2.2.2	<ul style="list-style-type: none"> • Resource constraints

Potential Risks

- Evolving technologies, automation, and intellectual property issues continue to increase the complexity of antitrust investigations and litigation. This complexity, coupled with fluctuations in merger activity and complaints of potentially harmful business conduct, can put pressure on the agency’s financial and personnel resources.

Strategy	Related Performance Measures	Related External Factors
Conduct market research to inform future enforcement efforts.	Measure 2.1.1 Measure 2.1.2 Measure 2.1.3 Measure 2.1.4 Measure 2.1.5 Indicator 2.1.IND.1 Indicator 2.1.IND.2	<ul style="list-style-type: none"> Resource constraints
<p>Potential Risks</p> <ul style="list-style-type: none"> Evolving technologies, automation, and intellectual property issues continue to increase the complexity of antitrust investigations and litigation. This complexity, coupled with fluctuations in merger activity and complaints of potentially harmful business conduct, can put pressure on the FTC’s financial and personnel resources. 		

FY 2020 Progress Update

In FY 2020, the agency concluded 27 matters in which it took action to maintain competition, including 11 consent orders and 11 abandoned transactions, focusing its efforts on markets with the greatest impact on American consumers. This fiscal year saw a continuation of the Commission’s ambitious antitrust litigation docket, with 11 active litigations from the current or prior years.

This year, the Commission authorized federal court or administrative litigation in seven merger investigations. The agency successfully concluded three of its seven merger litigations in their initial stages when the parties involved abandoned their transactions after the Commission issued its complaints.

For example, the Commission issued an administrative complaint alleging that Illumina sought to maintain its monopoly unlawfully in the U.S. market for next-generation DNA sequencing (NGS) systems by acquiring Pacific Biosciences of California thus eliminating a nascent competitor. According to the complaint, Illumina, the leading provider of NGS products using predominant short-read sequencing technology, sought to acquire PacBio, which sold long-read sequencing-based NGS products that posed a current and future competitive threat to Illumina’s dominant position. The Commission also authorized staff to seek a preliminary injunction in federal court to enjoin the transaction pending an administrative proceeding. In the face of the Commission’s challenge, the parties abandoned their proposed transaction in January 2020.

Similarly, the Commission authorized staff to seek a preliminary injunction to enjoin Edgewell Personal Care Company’s proposed acquisition of competitor Harry’s. According to the complaint, the deal would have eliminated a disruptive and innovative rival that has driven down prices and spurred innovation in the otherwise duopolistic U.S. market for the manufacture and sale of men’s and women’s wet shave razors. Harry’s launched as an internet-only, direct-to-consumer wet shave brand, and in 2016, entered into brick-

and-mortar retail stores. Edgewell is the owner of the Schick brand of razors. The parties abandoned their acquisition in the face of the FTC's challenge, and the Commission subsequently dismissed its complaint.

The Commission remains vigilant in its ongoing commitment to maintaining competition in markets for essential health care services. This year, the FTC issued an administrative complaint challenging a proposed merger between Jefferson Health and Albert Einstein Healthcare Network, two leading providers of inpatient general acute care hospital and rehabilitation services in the Philadelphia, PA area. According to the complaint, the merger would have eliminated the head-to-head competition that drives improvements in quality and service, upgraded facilities, and investment in technology and innovation in Philadelphia and Montgomery counties. Post-merger, the parties would control 60 percent of the general acute care services in Philadelphia County and at least 45 percent in Montgomery County. The Commission also authorized staff to seek a preliminary injunction to enjoin the transaction pending a full administrative hearing. Following a weeklong federal court hearing on the preliminary injunction action this matter is currently pending in both federal court and administrative litigation.

The Commission continues to enforce the antitrust laws in important energy markets. In February 2020, the Commission issued an administrative complaint to block a proposed joint venture between Peabody Energy Corporation and Arch Coal. According to the complaint, the venture would combine the firms' coal mining operations in the Southern Powder River Basin (SPRB) region of northeastern Wyoming, eliminating competition between the two major competitors in the market for thermal coal in the area. SPRB coal is attractive to electric power producers in the central United States and upper Midwest because the deposits are relatively inexpensive to extract and contain lesser amounts of sulfur and sodium. According to the complaint, these power generation firms, with facilities designed to burn SPRB coal, have high fixed costs making it untenable to replace SPRB coal with alternative energy sources such as natural gas, wind, solar, or nuclear fuels. The Commission also authorized staff to seek a temporary restraining order to enjoin the transaction pending a full administrative hearing on the merits. Following a two-week federal court hearing on the preliminary injunction action, the federal district court granted the Commission's request to enjoin the transaction in September 2020, and the parties subsequently abandoned their transaction.

In other pending litigation, the FTC issued an administrative complaint challenging Axon Enterprise's consummated acquisition of its body-worn camera systems competitor VieVu. Before the acquisition, the two companies competed to provide body-worn camera systems to large, metropolitan police departments across the United States. According to the complaint, Axon's May 2018 acquisition reduced competition in an already concentrated market. In April 2020, the Commission entered a consent agreement with VieVu's parent company, Safariland, which was finalized in June 2020. With respect to Axon, this matter is currently pending in administrative adjudication.

In April 2020, the Commission filed an administrative complaint alleging that Altria Group and JUUL Labs entered into a series of agreements, including Altria's acquisition of a 35 percent stake in JUUL, that eliminated competition in violation of federal antitrust laws. According to the complaint, this series of agreements involved Altria ceasing to compete in the U.S. market for closed-system electronic cigarettes in return for a substantial ownership interest in JUUL, by far the dominant player in that market. This matter is currently pending in administrative adjudication.

The Commission also continues to police against increasingly complex monopolization schemes in pharmaceutical markets. This year, the Commission authorized staff to seek a permanent injunction and equitable monetary relief to halt an elaborate anticompetitive scheme to preserve a monopoly for a life-saving drug. According to the complaint, the FTC alleges that after acquiring the rights to Daraprim, the gold standard treatment for toxoplasmosis, Vyera Pharmaceuticals immediately raised the price 4,100 percent and engaged in a series of unlawful tactics, including distributional restraints and interference with U.S. Food and Drug Administration (FDA)-mandated bioequivalence testing to prevent generic entry into the market. The complaint further charges that Vyera signed data blocking agreements to deny generic pharmaceutical firms access to the data needed to assess whether development of an alternative treatment is worth pursuing. This matter is currently pending in federal court.

As in past years, the FTC focused on its greatest asset in promoting competition: its staff. The agency continued its emphasis on employee-led staff development through its Training Council and mentoring programs. These programs, some of which were deferred due to COVID-19, are cost-neutral, improve knowledge transfer on important antitrust issues, and enhance information sharing between practitioners, thereby supporting the long-term success of the competition mission. Despite the pandemic, however, the agency was able to provide meaningful professional development opportunities to staff and those completing internships within BC by leveraging digital platforms and other distance-learning tools.

Resource constraints remain a significant challenge. The rising costs of critical expert witness resources and the ongoing challenge of how to manage efficiently document productions of increasing size are two of the foremost barriers. Development and support of the technological tools necessary to improve processes and streamline operations require significant financial and staff resources. Likewise, increases in caseload and merger notifications continue to put pressure on staffing resources.

The FTC also faces a challenging landscape in attempting to maintain competition in increasingly complex and pervasive technology markets that raise unique antitrust considerations. These challenges require the FTC to utilize the full range of policy and advocacy tools at its disposal to promote competition.

FY 2021-2022 Next Steps and Future Actions to Meet Strategic Objective

- Leverage the recently established Technology Enforcement Division to ensure thoughtful and effective antitrust enforcement to maintain competition in critical technology markets.
- Work to secure additional resources necessary to enforce effectively the antitrust laws to ensure that consumers benefit from the lower prices, higher quality, increased innovation, and expanded choices that competition brings and that workers benefit from a competitive marketplace for their labor.
- Monitor the duration of investigations and the drivers of investigation length to identify where and if the Commission can streamline or otherwise improve its investigative processes.
- Utilize BC’s Training Council to identify legal staff development opportunities and provide targeted training programs to meet those needs, increasing the skills and expertise of legal staff through continuous learning and retrospective analysis.
- Focus on enhancing the investigative process using improved technological tools and the identification of “best practices” to streamline and standardize management of investigations and litigation.
- Maintain ongoing assessment of premerger notification filing requirements and screening methods to maximize efficiency and effectiveness with an emphasis on reducing the burden on the antitrust agencies and filing parties.

Performance Measures

🔑 Key Performance Goal 2.1.1: Percentage of full merger and nonmerger investigations in which the FTC takes action to maintain competition.

This measure tracks FTC actions taken to maintain competition, including litigated victories, consent orders, abandoned transactions, or restructured transactions (either through a fix-it-first approach or eliminating the competitive concern) in a significant percentage of full merger and nonmerger investigations.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
54.6%	49.1%	67.9%	62.9%	77.1%	Between 40.0% and 70.0%	Not Met	Between 50.0% and 80.0%	

FY 2020 Highlights: The agency took action to maintain competition in 27 of 35 full merger and nonmerger investigations that concluded during FY 2020. The FTC’s 27 actions included 11 consent orders, two litigated victories (Benco, Peabody/Arch Coal), one stipulated injunction (Indivior), one settlement with a party to an ongoing administrative adjudication (Safariland), three matters in which the parties abandoned their transactions after the Commission authorized staff to challenge the proposed acquisition in federal or administrative proceedings (Illumina/PacBio, Edgewell/Harry’s, Post/TreeHouse),

and nine abandoned transactions. This year’s results exceeded the target range for this performance goal, primarily because more matters than anticipated led to enforcement actions.

The agency’s 27 actions included 24 merger actions and 3 nonmerger actions in second request or compulsory process investigations in a broad array of industries such as healthcare, pharmaceuticals, consumer goods and services, energy, and manufacturing.

The agency concluded eight merger matters in which it did not take an enforcement action during FY 2020.

Performance Goal 2.1.2: Consumer savings through merger actions taken to maintain competition.

This measure reports the estimated amount of money that the Commission saved consumers by taking action against potentially anticompetitive mergers. The number reported is a five-year “rolling average” (average of the current year and four prior year totals).

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
\$2.59 billion	\$2.59 billion	\$2.66 billion	\$3.09 billion	\$1.78 billion	\$2.10 billion	Not Met	\$1.5 billion	

FY 2020 Highlights: The FTC saved consumers on average an estimated \$1.78 billion per year through its merger actions to maintain competition in the past five years. This year, despite considerable consumer savings from merger actions in the healthcare, pharmaceuticals, consumer goods and services, and manufacturing the agency fell short of meeting its target for this performance goal. In large part, this is because unusually large consumer savings from merger actions in FY 2015 are no longer included in the five-year timeframe for the goal. Targets have been adjusted for FY 2021.

Key Performance Goal 2.1.3: Total consumer savings compared to the amount of FTC resources allocated to the merger program.

This measure reports the estimated amount of money that the Commission saved consumers by taking action against potentially anticompetitive mergers compared to the amount spent on the merger program. The amount reported is a five-year “rolling average” (average of the current year and four prior year totals).

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
\$46.40 in consumer savings per \$1 spent	\$55.60 in consumer savings per \$1 spent	\$50.30 in consumer savings per \$1 spent	\$65.90 in consumer savings per \$1 spent	\$25.70 in consumer savings per \$1 spent	\$42.00 in consumer savings per \$1 spent	Not Met	\$35.00 in consumer savings per \$1 spent	

FY 2020 Highlights: In FY 2020, the FTC saved consumers approximately \$25.74 for every dollar devoted to its merger program. As mentioned in Performance Goal 2.1.2, merger actions in the healthcare, pharmaceuticals, consumer goods and services, and manufacturing resulted in considerable consumer savings in the period. These results fell short of the target level for the period, due in large part to unusually large consumer savings from merger actions in FY 2015 that are no longer included in the five-year timeframe for the goal. Targets have been adjusted for FY 2021. Significant increases in case-related spending during the period, primarily attributable to a growing antitrust litigation docket, also resulted in a reduction in the ratio of estimated consumer savings to program costs during the period.

Performance Goal 2.1.4: Consumer savings through nonmerger actions taken to maintain competition.

This measure reports the estimated amount of money that the Commission saved consumers by taking action against potentially anticompetitive business conduct. The number reported is a five-year “rolling average” (average of the current year and four prior year totals).

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
\$1.02 billion	\$1.12 billion	\$1.10 billion	\$1.77 billion	\$901 million	\$900 million	Met	\$900 million	

FY 2020 Highlights: From FY 2016 to FY 2020, the FTC saved consumers on average an estimated \$901 million per year through nonmerger actions taken to maintain competition. This year, nonmerger actions in the healthcare, pharmaceutical, and consumer services industries contributed to that total, allowing the agency to continue to meet the target for this performance goal.

Key Performance Goal 2.1.5: Total consumer savings compared to the amount of FTC resources allocated to the nonmerger program.

This measure reports the estimated amount of money that the Commission saved consumers by taking action against potentially anticompetitive business conduct compared to the amount spent on the nonmerger program. The amount reported is a five-year “rolling average” (average of the current year and four prior year totals).

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
\$52.30 in consumer savings per \$1 spent	\$39.60 in consumer savings per \$1 spent	\$40.10 in consumer savings per \$1 spent	\$75.80 in consumer savings per \$1 spent	\$46.00 in consumer savings per \$1 spent	\$40.00 in consumer savings per \$1 spent	Exceeded	\$35.00 in consumer savings per \$1 spent	

FY 2020 Highlights: In FY 2020, the FTC saved consumers approximately \$46 per dollar devoted to its nonmerger enforcement program. As mentioned under 2.1.4, nonmerger actions in the healthcare, pharmaceutical, and consumer services industries contributed to that total, and when coupled with modest reductions in program spending, allowed the agency to again meet the target for this performance goal.

Other Indicators

Indicator 2.1.IND.1: Average total sales for the current year plus the previous four fiscal years in the affected markets in which the Commission took merger enforcement action.

This indicator demonstrates that the Commission’s merger actions are guided in part by the size of the relevant product/geographic markets involved. It is important that the FTC use its resources in areas where the most positive change can be achieved. The number reported is a five-year “rolling average” (average of the current year and four prior year totals).

FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual
\$88.3 billion	\$103.4 billion	\$112.7 billion	\$69.4 billion

Indicator 2.1.IND.2: Average total sales for the current year plus the previous four fiscal years in the affected markets in which the Commission took anticompetitive market enforcement action.

This indicator demonstrates that the FTC’s nonmerger actions are guided, in part, by the size of the relevant product/geographic markets involved. It is important that the FTC use its resources in areas where the most positive change can be achieved. The amount reported is a five-year “rolling average” (average of the current year and four prior year totals).

FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual
\$77.10 billion	\$75.5 billion	\$80.48 billion	\$11.9 billion

Objective 2.2: Engage in effective research, advocacy, and stakeholder outreach to promote competition and advance its understanding.

Goal Leaders: Director, Bureau of Competition; General Counsel, Office of the General Counsel; Director, Office of Policy Planning; Director, Bureau of Economics

Strategies, External Factors and Risks

Strategy	Related Performance Measures	Related External Factors
Improve the agency’s understanding of various practices and developments in the marketplace.	Measure 2.2.1 Measure 2.2.2	<ul style="list-style-type: none"> • Resource constraints
<p>Potential Risks</p> <ul style="list-style-type: none"> • Financial and personnel resource limitations, driven primarily by the costs of litigation, may reduce resources available to provide reports, studies, workshops, and conferences. 		

Strategy	Related Performance Measures	Related External Factors
Increase transparency and improve the public’s understanding of the FTC’s enforcement policies and the benefits of competition.	Measure 2.2.1 Measure 2.2.2 Measure 2.2.3 Indicator 2.2.IND.1	<ul style="list-style-type: none"> • Resource constraints
<p>Potential Risks</p> <ul style="list-style-type: none"> • Financial and personnel resource limitations, driven primarily by the costs of litigation, may reduce resources available to provide reports, studies, workshops, and conferences. 		

Strategy	Related Performance Measures	Related External Factors
Target advocacy activities to encourage state and federal government policymakers to evaluate the competitive implications of their existing and proposed policies.	Measure 2.2.3 Indicator 2.2.IND.1	<ul style="list-style-type: none"> Financial and personnel resource limitations, driven primarily by the costs of litigation, may reduce resources available for this objective. Domestic advocacy seeks to influence the decisions made by outside parties. Those decision makers often receive pressure from other organizations, who may be making recommendations that are not consistent with the FTC's.

Potential Risks

- Advocacy efforts may be limited due to reduced resources.
- Advocacy efforts may not achieve anticipated results due to opposition or conflict with outside influencers.

Strategy	Related Performance Measures	Related External Factors
Increase transparency and improve the public's understanding of the FTC's enforcement policies and the benefits of competition.	Measure 2.2.3 Indicator 2.2.IND.1	<ul style="list-style-type: none"> Financial and personnel resource limitations, driven primarily by the costs of litigation, may reduce resources available for this objective.

Potential Risks

- Advocacy efforts may be limited due to reduced resources.

FY 2020 Progress Update

The FTC continued to organize public conferences to advance the agency's understanding of economic developments and emerging business practices and inform antitrust policy through consideration of diverse perspectives. In FY 2020, the Bureau of Economics hosted its Twelfth Annual Microeconomics Conference. This two-day workshop brought together scholars working in areas related to the FTC's antitrust, consumer protection, and public policy missions. The agency also hosted a workshop on non-compete agreements in the workplace, which examined antitrust and consumer protection issues. The FTC held a joint workshop with the FDA on the competitive marketplace for biosimilars. The FTC also held the first of a two-part series hosted with the Department of Justice to discuss proposed Vertical Merger Guidelines. The second session was cancelled due to the pandemic, but the FTC accepted written comments. Finally, in FY 2020, the Bureaus of Competition and Consumer Protection hosted a workshop to examine the potential benefits and challenges to consumers and competition raised by data portability.

The FTC continued to respond to requests for comment from local, state, and federal entities to provide policymakers with a framework to analyze the potential competitive implications of pending governmental actions that may have a major impact on consumers. In FY 2020, the FTC filed one amicus brief in federal court, ten competition advocacy comments, and two advocacy comments that addressed both competition and consumer protection issues. Two of the ten competition advocacy comments were submitted to federal government agencies, and eight were sent to state legislators and regulators. These advocacy comments address a variety of industries and competition issues, including restrictions on telehealth, electronic health information, scope of practice limitations, enforceability of reasonable and non-discriminatory (RAND) licensing commitments, certificates of public advantage, and beer distribution. The FTC ensures that its advocacy activities are conducted with sensitivity to state policy and law-making authority.

In FY 2020, the FTC issued Special Orders, under Section 6(b) of the FTC Act, to five large technology firms, requiring them to provide information about prior acquisitions not reported to the antitrust agencies under the Hart-Scott-Rodino (HSR) Act. The Commission plans to use the information obtained in this study to examine trends in acquisitions and the structure of deals, including whether acquisitions not subject to HSR notification might have raised competitive concerns, and the nature and extent of other agreements that may restrict competition. The FTC also issued 6(b) orders to five health insurance companies and two health systems to provide information that will allow the agency to study the effects of certificates of public advantage (COPAs) on prices, quality, accessibility, and innovativeness of healthcare services. The COPA study will collect information over the next several years that will help FTC staff to conduct retrospective analyses of existing COPAs.

The agency also furthered its efforts to advance public understanding of its competition decisions through the publication of analyses to aid public comment, speaking engagements, and the "Competition Matters" blog, which covers an array of competition policy and practice issues. In addition, the agency issued several reports dealing with competition issues, including an annual report analyzing branded drug firms' patent

settlements with generic competitors. The report summarized data on patent settlements filed with the FTC and the Department of Justice during FY 2016 under the Medicare Modernization Act of 2003. This was the Commission's third annual snapshot of such deals since *FTC v. Actavis*, in which the U.S. Supreme Court held that a branded drug manufacturer's reverse payment to a generic competitor to settle patent litigation can violate the antitrust laws. The FTC also prepared a Congressionally-mandated report on its standalone authority under Section 5 of the FTC Act to address high pharmaceutical prices.

The FTC will continue to identify opportunities to advance the public's and its own understanding of competition issues in a dynamic and increasingly complex marketplace, particularly with respect to health care, technology, and intellectual property. The agency must continue to use its limited resources to expand its advocacy and outreach efforts, but it must balance this activity with increased demands from its resource-intensive enforcement efforts. The agency must also expand its use of technology and public interaction to better promote the consumer understanding of the benefits of competition.

FY 2021-2022 Next Steps and Future Actions to Meet Strategic Objective

- Organize and/or participate in public conferences, workshops, and hearings to enhance the FTC's understanding of various practices and developments relevant to competition in the marketplace. For example, the Commission will work to digest the abundant information collected through its 21st Century Hearings initiative to inform its short- and long-term competition enforcement and policy priorities.
- Continue to make related materials, including transcripts, written submissions, reports, and policy papers accessible to the public.
- Seek advocacy opportunities at local, state, and federal government levels to encourage adoption of policies that maximize competition and reduce barriers to entry.
- Review and pursue amicus opportunities in the federal courts in cases that may affect competition and, ultimately, consumer welfare.
- Generate reports, policy papers, working papers, and other public documents that synthesize the results of FTC research and enforcement efforts and, where appropriate, make recommendations regarding actions or policies to promote competition.

Performance Measures

Performance Goal 2.2.1: Number of workshops, seminars, conferences, and hearings convened or co-sponsored that involve significant competition-related issues.

This measure demonstrates the Commission’s commitment to ensuring that consumers obtain the benefits of competition through its policy-related activities such as workshops, seminars, conferences, and hearings convened or cosponsored that involve significant competition-related issues.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
3	3	7	11	4	3	Exceeded	3	

Performance Goal 2.2.2: Number of reports and studies the FTC issued on key competition-related topics.

This measure reports competition policy-related activities such as Commission or staff research, reports, economic or policy papers, studies, or other significant antitrust guidance produced after substantive investigation, study, or analysis. These activities enhance the public’s knowledge of competition issues and promote the adoption of policies based on sound competitive principles to the extent possible. Also included as part of this measure are reports to other federal agencies that report on the FTC’s activities.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
9	11	9	4	7	8	Not Met	8	

Performance Goal 2.2.3: Percentage of competition advocacy comments and amicus briefs filed with entities including federal and state legislatures, agencies, or courts that were successful, in whole or in part.

The FTC’s competition advocacy takes many forms—including advocacy comments, amicus briefs, workshops, reports, and testimony. This measure evaluates the success rate for resolved competition advocacy comments and amicus briefs. Although the FTC is primarily a law enforcement agency, advocacy work is a cost-effective way to further the FTC’s competition mission and allow the FTC to address situations where competition may be affected by the actions of public entities, including regulators and legislators.

To determine whether an advocacy comment or amicus brief is successful, staff waits for the relevant case, legislative process, or agency rulemaking to be fully resolved. Once the matter is resolved, the outcome is compared to the policy recommendations within the advocacy comment or the legal arguments set forth in the amicus brief. Advocacies are classified as successful, partially successful, moot, or unsuccessful based on the outcome achieved. The FTC does not attempt to quantify or measure how much effect our advocacy had on the decision. Although most advocacies contain either consumer protection

recommendations or competition recommendations, a few advocacy comments may have both, and are thus counted in this performance goal as well as Performance Goal 1.3.4.

*Results for this measure are often delayed and are reported as available.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
64.7%	58.6%	*	*	*	60.0%	N/A	60.0%	

FY 2020 Highlights: On June 30, 2020, the FTC and the U.S. Department of Justice (DOJ) Antitrust Division, issued new Vertical Merger Guidelines that outline how the federal antitrust agencies evaluate the likely competitive impact of vertical mergers and whether those mergers comply with U.S. antitrust law. These new Vertical Merger Guidelines mark the first time the FTC and the DOJ have issued joint guidelines on vertical mergers. In addition, as the COVID-19 pandemic affected individuals and businesses, the FTC and the DOJ issued a joint statement detailing an expedited antitrust procedure and providing guidance for collaborations of businesses working to protect the health and safety of Americans during the pandemic.

Other Indicator

Indicator 2.2.IND.1: Number of advocacy comments and amicus briefs on competition issues filed with entities, including federal and state legislatures, agencies, and courts.

Whereas Performance Goal 2.2.3 measures the success of our competition advocacy comments and amicus briefs, this indicator reports the quantity of competition advocacy comments and amicus briefs filed each year. The FTC is primarily a law enforcement agency, but advocacy work is a cost-effective way to further the FTC’s competition mission and allows the FTC to address situations where competition may be affected by the actions of public entities, including regulators and legislators. Although most advocacies contain either consumer protection recommendations or competition recommendations, a few advocacy comments may have both, and are thus counted in this indicator as well as Indicator 1.3.IND.1.

FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual
16	16	6	12

Objective 2.3 Collaborate with domestic and international partners to preserve and promote competition.

Goal Leaders: Director, Office of International Affairs; Director, Bureau of Competition; Director, Bureau of Economics

Strategies, External Factors and Risks

Strategy	Related Performance Measures	Related External Factors
<p>Improve the effectiveness of investigations and promote consistent outcomes through cooperation with foreign competition agencies.</p>	<p>Measure 2.3.1</p>	<ul style="list-style-type: none"> • The development of competition policy involves numerous stakeholders, political considerations, and economic factors. • Enforcement of the more than 140 competition laws often overlaps and intersects and can potentially conflict. • The COVID-19 pandemic is impacting the resources and priorities of foreign competition agencies.
<p>Potential Risks</p> <ul style="list-style-type: none"> • Promoting international cooperation and convergence toward sound policy is a long-term endeavor that can be affected by events beyond the agency’s control, such as foreign court proceedings, the COVID-19 pandemic, and political changes that result in changes in foreign counterpart agencies’ policies and staff, and restrict best practices and information exchanges. Political turmoil in certain regions can also make cooperation on particular issues more difficult. 		

Strategy	Related Performance Measures	Related External Factors
<p>Work with foreign competition agencies to promote international policy convergence toward sound and effective antitrust enforcement.</p>	<p>Measure 2.3.2</p>	<ul style="list-style-type: none"> • The development of competition policy involves numerous stakeholders, political considerations, and economic factors. • Enforcement of the more than 140 competition laws often overlaps and intersects and can potentially conflict. • The impact of the COVID-19 pandemic on the resources and priorities of foreign competition agencies and on the FTC's ability to participate in in-person meetings and trainings.
<p>Potential Risks</p> <ul style="list-style-type: none"> • Promoting international cooperation and convergence toward sound policy is a long-term endeavor that can be affected by events beyond the agency's control, such as foreign court proceedings, the COVID-19 pandemic, and political changes that result in changes in foreign counterpart agencies' policies and staff, and restrict best practices and information exchanges. Political turmoil in certain regions can also make cooperation on particular issues more difficult. 		

Strategy	Related Performance Measures	Related External Factors
Provide technical assistance to countries with emerging competition regimes; provide foreign officials an opportunity to work alongside the FTC.	Measure 2.3.2	<ul style="list-style-type: none"> • Availability of external resources. • Support of U.S. embassies abroad. • Willingness of foreign governments to accept US technical assistance. • The impact of the COVID-19 pandemic on the resources and priorities of foreign competition agencies and due to travel restrictions imposed.

Potential Risks

- International technical assistance would be hampered if external resources are not available, U.S. embassies abroad are not supportive, or if foreign governments are not willing to accept U.S. assistance and advice.
- The International Fellows Program and the breadth of our technical assistance program would be impacted by continuing travel restrictions imposed because of the COVID-19 pandemic.

Strategy	Related Performance Measures	Related External Factors
Work within the U.S. government inter-agency process and with other domestic government entities to support efforts to promote market-based competition and policy convergence.	Indicator 2.3.IND.1	<ul style="list-style-type: none"> • None

Potential Risks

- None

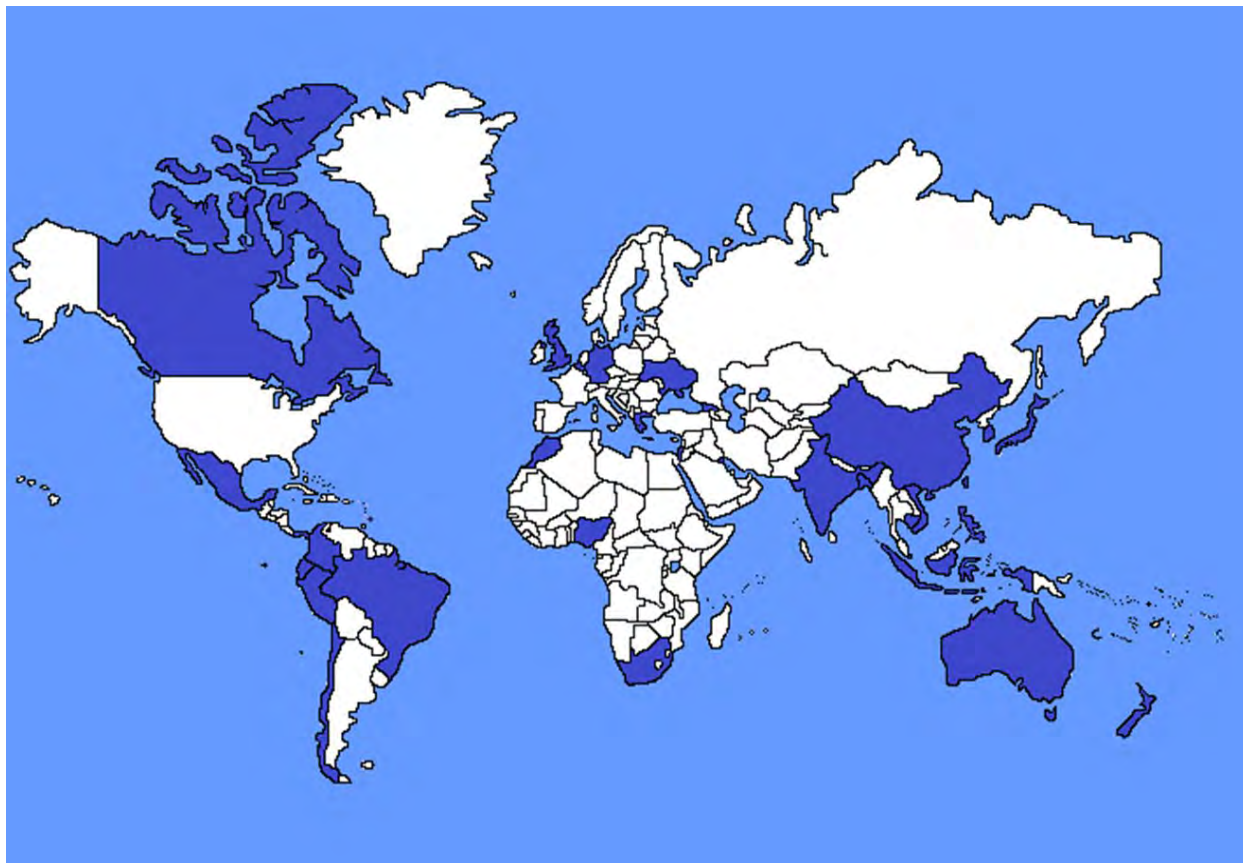
FY 2020 Progress Update

To promote and maintain free and vigorous competition, the FTC continues to build and strengthen relationships with competition agencies internationally and to work through multilateral forums and with domestic partners to promote convergence toward sound competition enforcement and policy. Progress in FY 2020 included:

- **Promoting Convergence and Furthering Case Cooperation:** The FTC engaged on policy issues of common interest and shared enforcement techniques and experience with staff from 32 competition agencies. The agency held high-level meetings with colleagues from several competition authorities, including Australia, Brazil, Canada, the European Union, India, Japan, South Korea, Mexico, New Zealand, and the United Kingdom. The FTC continued to facilitate and engage more deeply in cooperation and coordination on individual matters with foreign counterparts. Notably, the FTC, with the DOJ, entered into the Multilateral Assistance and Cooperation Framework among the U.S. antitrust agencies and the competition agencies of Australia, Canada, New Zealand, and the United Kingdom, representing a new benchmark in cross-border enforcement cooperation. In FY 2020, the FTC cooperated on 29 investigations of mutual concern with counterpart agencies from 13 jurisdictions. This included 21 merger matters and 8 conduct investigations; this is the highest number of conduct investigations on which we have engaged in substantial cooperation in any fiscal year since we started maintaining these statistics. A number of these matters involved cooperation with several agencies to achieve effective, sound, and consistent outcomes. For example, during its review of the AbbVie/Allergan merger, Commission staff cooperated with antitrust agencies in Canada, the European Union, Mexico, and South Africa, working closely with the staff of the European Commission to analyze proposed remedies. The FTC also hosts International Fellows from foreign competition agencies who work directly with FTC staff to gain first-hand understanding of and experience with the practices and approaches that the FTC uses in its enforcement, which they then bring back to their agencies. The FTC has hosted 93 competition officials from 32 jurisdictions since the program's inception in 2007 through the end of FY 2020.
- **International Competition Network (ICN):** The FTC is a leader in the ICN, a preeminent venue for the coordination of international antitrust policy. In FY 2020, the FTC continued to serve on its Steering Group, as well as co-chairing the implementation group, which promotes use by member agencies of ICN best practice recommendations and work product, and the ICN's team of working group leaders who coordinate the network's substantive work. The FTC also oversees the ICN's [online training program](#) to promote sound analytical and procedural practices across all aspects of antitrust enforcement. During the past year, the FTC was a significant contributor to new ICN work on mergers and dominance in digital markets and on the competition assessment of laws and regulations. The FTC also led the drafting of the [ICN's advice to competition agencies](#) on dealing with the challenges of the COVID-19 pandemic and its economic consequences. This ICN Statement reaffirms the relevance of competition to economies in crises and the importance of vigilant

enforcement. In light of emerging digital economy issues faced by competition agencies, the FTC proposed and helped initiate important new ICN work to explore the interface between competition, consumer protection, and data privacy enforcement and policies. The Commission also hosted an innovative [virtual annual ICN conference](#) once an in-person event became infeasible. The conference attracted over 2,500 viewers from around the world.

International Competition Agency Engagement



In addition to the jurisdictions indicated on this map, the FTC provided competition policy advice and training to numerous members of regional and other multilateral bodies such as the ICN, OECD, ACF, APEC, ASEAN, and CARICOM.

- **Other Multilateral Fora:** The agency continued its active participation and leadership in the OECD, APEC, UNCTAD, and the Inter-American Competition Alliance to promote cooperation and convergence. For example, the FTC played a key role in developing the OECD Competition Committee’s long-term project on competition in the digital economy, and is collaborating with the OECD’s Secretariat to work on, among other topics, the application of competition laws to intellectual property rights and international enforcement cooperation. For the latter project, the FTC is serving on a special project group tasked with developing a joint OECD/ICN report focused on assessing members’ experience with international enforcement

cooperation. In FY 2020, the FTC also served as a lead contributor to the preparation of OECD Recommendations on procedural fairness in competition investigations and enforcement, and on competitive neutrality.

- **Relations with Newer Agencies:** The FTC continued engagement through meetings and exchanges with counterparts around the world. FY 2020 also marked the 10-year anniversary of the InterAmerican Competition Alliance, which the FTC helped found to foster enforcement cooperation in the Americas. With the rapid growth in the number of jurisdictions with competition laws over the past decades, the FTC has expanded its program of technical assistance to help other agencies apply their laws in ways that support competitive markets and compatible analysis and outcomes in cross-border matters. In FY 2020, the FTC continued its technical assistance program in Ukraine by placing experienced FTC lawyers in its competition agency, as resident advisors, to share approaches to enforcement and investigation and to assist in drafting amendments to the law. The FTC also assisted the Philippine Competition Commission's efforts to introduce competition concepts to the judiciary, regulatory bodies, law schools, and the private sector. Until international travel was restricted, the FTC conducted 13 competition technical assistance programs on site in 12 jurisdictions, including participating in two regional programs for ASEAN member states. The FTC continued its technical assistance program throughout the pandemic by conducting virtual training for the staff of competition agencies in Mexico, Peru, the Philippines, Ukraine, and regional programs for agencies in Africa (through the African Competition Forum), the Caribbean (for CARICOM and its member agencies), and Eastern Europe.
- **Working Within the U.S. Government:** Throughout the year, the FTC worked with U.S. government agencies to address, in a coordinated and effective manner, competition issues that implicate broader U.S. policy interests; those include the protection of intellectual property, non-discriminatory treatment of U.S. companies, and due process in antitrust investigations and proceedings. We also played an active role in the U.S. delegation negotiating the competition chapter of the U.S.-UK Trade Agreement.
- **State Government Partners:** BC routinely works with state AGs in its enforcement efforts. State AGs also routinely join as co-plaintiffs in the FTC's federal court litigations.

FY 2021-2022 Next Steps and Future Actions to Meet Strategic Objective

- Support BC's enforcement by assisting with the international aspects of its investigations and litigation.
- Work with state AGs on joint enforcement efforts where the harm may occur in local or regional markets and support solo state AG enforcement that aligns with Commission priorities.
- Continue the FTC's leadership role in the ICN by: guiding the ICN's strategic direction through Steering Group participation; leading the network's implementation work, including promoting use of its procedural fairness standards, and online training

project; helping develop work on unilateral conduct, agency effectiveness, digital markets, cooperation mergers, and competition advocacy; supporting its new project on the intersection of competition law and policy with consumer protection and data privacy law and policy; and setting its long-term agenda by leading the network-wide “Third Decade” self-assessment and strategic review.

- Enhance the FTC’s participation in other multilateral and regional fora, including the OECD, UNCTAD, and APEC by, for example, helping to develop the OECD’s work on procedural fairness in competition investigations and enforcement, and the application of competition laws to intellectual property rights, and by contributing to policy dialogue on competition and the digital economy.
- Pursue opportunities for improving international cooperation and convergence, following the conclusion of the Multilateral Mutual Assistance and Cooperation Framework and based on recommendations outlined in the joint OECD/ICN cooperation report, including the development of additional cooperation tools and policy initiatives.
- Strengthen relations with competition agencies, including in Australia, Brazil, Canada, China, the European Union, India, France, Germany, Israel, Japan, Mexico, Singapore, South Africa, South Korea, Taiwan, and the United Kingdom, through dialogue on policy initiatives, case cooperation, and, as appropriate, the provision of technical assistance.
- Work with other U.S. agencies, including bilaterally and in interagency and intergovernmental fora, to address appropriate competition-related issues, e.g. in the G7 on Digital Markets and Competition, and to negotiate competition chapters in trade agreements.
- Continue the FTC’s international competition technical assistance program; deepen the FTC’s capacity building work with competition authorities, including agencies in Ecuador, India, Kenya, Nigeria, Peru, the Philippines, and Ukraine; and assist governments that are promoting an expanded scope for competition in new sectors of their economies.
- Further develop the International Fellows and staff exchange programs, including through an FTC detail to the UK Competition and Markets Authority.

Performance Measures

Key Performance Goal 2.3.1: Percentage of FTC cases involving at least one substantive contact with a foreign antitrust authority in which the agencies followed consistent analytical approaches and reached compatible outcomes.

OIA strives to ensure appropriate cooperation on and coordination of investigations under parallel review by the FTC and foreign competition agencies. This measure gauges the effectiveness of the FTC’s enforcement cooperation with foreign antitrust authorities pursuing parallel enforcement activities.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
100%	96%	98%	100%	100%	95%	Exceeded	95%	

FY 2020 Highlights: In FY 2020, the FTC cooperated on 29 enforcement matters. FTC staff engaged in substantive case cooperation with 13 agencies, including those of Australia, Brazil, Canada, China, the European Union, Germany, Israel, Japan, Mexico, New Zealand, Singapore, South Africa, and the United Kingdom. The FTC and its counterpart agencies reached compatible outcomes in all cases completed during the fiscal year. While the FTC will continue to strive for 100 percent success, the target reflects the possibility of inconsistent outcomes, particularly as additional antitrust agencies assert their jurisdiction and as more agencies prosecute cases based on unilateral conduct theories.

Performance Goal 2.3.2: Number of instances in which the FTC provided policy advice or technical assistance to foreign competition agencies or governments, directly and through international organizations.

This measure quantifies the FTC’s efforts to assist newer foreign competition authorities to enhance their enforcement capacity, build sound regulatory frameworks, improve agency effectiveness, and promote competition policies in their economy. These efforts include providing policy advice and direct technical assistance, as well as professional development opportunities for international partners through the International Fellows program.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
171	160	151	165	155	130	Exceeded	130	

FY 2020 Highlights: In FY 2020, the FTC provided policy advice through consultations, written submissions, and comments on proposed laws and guidelines to foreign competition agencies in 118 instances. The FTC’s policy advice remains highly regarded and sought after by new and experienced competition agencies, and by participants in international organizations and conferences. The agency also conducted 29 technical assistance missions, which included a number of regional programs that engaged staff from multiple agencies, and hosted eight officials from foreign agencies as part of our International Fellows Program in support of the competition mission.

Other Indicator

Indicator 2.3.IND.1: Percentage of full investigations in which the FTC and other U.S. federal, state, and local government agencies shared evidence or information that contributed to FTC law enforcement.

Due to the wide geographic impact of merger and nonmerger actions, it is important that the FTC share information and resources with other domestic federal, state, and local government agencies in the investigation and enforcement of competition cases. This indicator reports the number of full merger and nonmerger investigations concluded in a given fiscal year that involved information sharing with domestic federal, state, or local government agencies.

FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual
N/A	52.6%	31.8%	22.2%

Strategic Goal 3: Advance the FTC’s Performance Through Excellence in Managing Resources, Human Capital, and Information Technology.

The FTC believes that advancing organizational performance at all levels creates a strong foundation for overall mission success. The agency’s work in furtherance of Strategic Goal 3 highlights ongoing efforts to provide quality and timely services to the agency and enhances the agency’s ability to focus on protecting consumers and maintaining competition.

Goal 3 is inherently collaborative and encompasses all of the agency’s key management areas: human capital; infrastructure and security; information technology resources; and financial management. Work in Goal 3 fosters leadership, transparency, and accountability across the agency and establishes a culture of customer service and effective planning, administration, and management. FTC employees at all levels are expected to show leadership in their areas of responsibility by exhibiting a willingness to develop and coach others, a commitment to teamwork, and a drive to find innovative and efficient solutions.

The FTC has established three objectives to guide work in this area:

- **Objective 3.1:** Optimize resource management and infrastructure.
- **Objective 3.2:** Cultivate a high-performing, diverse, and engaged workforce.
- **Objective 3.3:** Optimize technology and information management that supports the FTC mission.

Goal 3 and its Strategic Objectives comprise the Stewardship-Focused component of the FTC’s 2020 Performance Report.

Objective 3.1: Optimize resource management and infrastructure.

Goal Leaders: Executive Director, Office of the Executive Director (OED); General Counsel, Office of the General Counsel (OGC)

Strategies, External Factors, and Risks

Strategy	Related Performance Measures	Related External Factors
Update the agency’s Continuity of Operations Plan (COOP), which defines necessary planning and actions to ensure the preservation and performance of FTC mission-essential functions.	Measure 3.1.1a	<ul style="list-style-type: none"> • None
Potential Risks <ul style="list-style-type: none"> • None 		

Strategy	Related Performance Measures	Related External Factors
Continue conducting Facility Security Assessments (FSA) and engage General Services Administration in risk mitigation.	Measure 3.1.1a	<ul style="list-style-type: none"> COVID-19 pandemic
Potential Risks <ul style="list-style-type: none"> FSAs must take place in the FTC’s physical space. The pandemic may continue to delay the FTC’s security staff from traveling to FTC regional offices to conduct FSAs. 		
Strategy	Related Performance Measures	Related External Factors
Update the Electronic Security System (ESS) in D.C.	Measure 3.1.1a	<ul style="list-style-type: none"> COVID-19 pandemic
Potential Risks <ul style="list-style-type: none"> Limited facility access may result in project delays depending on conditions in the local area. 		
Strategy	Related Performance Measures	Related External Factors
Enhance training program for emergency preparedness that will include various training formats, including an online component.	Measure 3.1.1b	<ul style="list-style-type: none"> COVID-19 pandemic
Potential Risks <ul style="list-style-type: none"> Because of the pandemic, limited facility access and social distancing requirements mean in-person training opportunities may be delayed. This may reduce the opportunities for staff to practice and prepare for possible emergencies in FTC facilities. 		
Strategy	Related Performance Measures	Related External Factors
Work with GSA to move FTC offices into federal workspace as current leases expire.	Measure 3.1.1a Measure 3.1.1b	<ul style="list-style-type: none"> Real estate market and space suitability.
Potential Risks <ul style="list-style-type: none"> Lack of federal workspace that meets FTC’s needs would prevent the agency from moving regional offices out of leased space. 		

Strategy	Related Performance Measures	Related External Factors
Analyze Annual Customer Satisfaction Survey and implement action plan addressing survey results.	Measure 3.1.2	<ul style="list-style-type: none"> • COVID-19 pandemic
<p>Potential Risks</p> <ul style="list-style-type: none"> • With the FTC’s move to telework due to the pandemic in spring 2020, there are limited opportunities to pilot improvements to on-premises services, which means customers may feel their feedback was not acted upon timely. 		

Strategy	Related Performance Measures	Related External Factors
Improve the effectiveness and efficiency of FTC’s financial management operations, including procurement-related work.	Measure 3.1.3	<ul style="list-style-type: none"> • Changes in government requirements, especially for financial management, may cause a shift in priorities or change how the FTC approaches its work.
<p>Potential Risks</p> <ul style="list-style-type: none"> • Increasing financial reporting burdens may strain our limited staff and could lead to the loss of our unmodified audit opinion. 		

Strategy	Related Performance Measures	Related External Factors
Improve Procurement Action Lead Time (PALT).	Measure 3.1.5	<ul style="list-style-type: none"> • Changes in government requirements, especially for financial management, may cause a shift in priorities or change how the FTC approaches its work.
<p>Potential Risks</p> <ul style="list-style-type: none"> • If contract processing slows down, needed equipment, supplies, and services, including expert witnesses for litigation, may be delayed, slowing down mission critical work. 		

FY 2020 Progress Update

- **Security / Emergency Preparedness**

- The FTC completed a review of the COOP plan, finalized a new annex to address the current COVID-19 pandemic, and hired a dedicated Emergency Specialist. In addition, the FTC has developed new guidance for FTC staff to ensure their safety while using its facilities as the FTC implements its COVID-19 Pandemic Return to Work Plan.
- The FTC completed installation of new surveillance cameras at FTC headquarters as part of the ESS update.
- In order to ensure the safety of FTC staff during the COVID-19 pandemic, the FTC moved quickly to make many work processes completely virtual, including onboarding, off boarding, filing documents with the FTC, and serving FTC subpoenas and requests.

- **Facilities**

- The FTC worked with GSA to identify federal workspace that meets FTC needs for the Atlanta and San Francisco Regional Offices.
- The FTC is in the planning stages of the leasing process for Constitution Center, the HQ Satellite building, which will provide a new workspace for FTC staff due to the current lease expiration.
- The FTC, in consultation with GSA, replaced the cafeteria in the HQ building with a micro-market. This service change offers a variety of food options in a more amenity-rich and accessible space for staff.

- **Finance**

- The FTC completed the transition of the agency's financial management, procurement, and travel systems from the Interior Business Center to the Department of the Treasury's Shared Service Provider, Administrative Resource Center, in October 2019.
- FMO developed and issued comprehensive standard procedures for FTC litigation support services for remote BC and BCP litigation teams. Identified critical responsibilities and controls to ensure timely and comprehensive support for BC and BCP litigation teams, coordinating FMO, OCIO, and OCASO support.
- The FTC's Financial Management Office (FMO) continued to implement the Enterprise Risk Management (ERM) program plan and strategy. Specifically, FMO identified, assessed, and monitored risks related to mission performance and updated the agency risk profile. The risk-management efforts helped agency leadership determine where to apply resources to address the FTC's highest priorities and risks. FMO will continue to support efforts to monitor and update risk registers to highlight and help the agency manage the most significant risks.

- As a result of the COVID-19 pandemic, the FMO Acquisitions Branch followed new federal guidance to extend the Sentinel Network Services (SNS) contract and ensure there are no SNS service interruptions. Acquisitions negotiated with the company for the continued support given COVID-related logistical difficulties at call centers that needed to be disbanded while call handlers worked remotely. Acquisitions also completed a difficult and complex re-solicitation process to put a new contract into place to remedy issues in the old SNS contract that has just ended. The new, long-term award was made and superseded the old one without any service interruption.
- The agency made significant progress towards paperless procurement and automated reporting of acquisition activities through more comprehensive use of our financial reporting tool, Oracle Business Intelligence.

FY 2021-2022 Next Steps and Future Actions to Meet Strategic Objective

- Review and update the FTC COOP Plan to ensure the plan supports the essential functions of the agency and reflects lessons learned from the COVID-19 pandemic.
- Expand capacity to respond to and recover from emergencies by developing and delivering in-person and web-based emergency preparedness training.
- Conduct a FSA of FTC's Headquarters building and, as able, continue the cycle of FSAs of FTC regional facilities.
- Coordinate with GSA to relocate two regional offices to federal space.
- Work collaboratively with GSA to ERM in accordance with agency policy.

Performance Measures

Performance Goal 3.1.1: The extent to which the FTC is prepared to protect people and property and to continue mission essential operations during emergencies.

(a) Achieve a favorable COOP rating

(b) The number of products and activities related to Physical Security that inform staff and provide opportunities to practice emergency procedures.

(a) The FTC COOP Plan defines the necessary planning and actions that are required to ensure the preservation and performance of the FTC's essential functions. Continuity planning facilitates the performance of FTC essential functions during all-hazards emergencies or other situations that may disrupt or potentially disrupt normal operations. The FTC COOP Plan is validated through annual tests, training, and exercises that confirm the agency's ability to perform essential supporting functions during an emergency. The annual government-wide Eagle Horizon exercise helps agencies assess and validate components of their continuity plans, as well as the policies, procedures, systems and facilities agencies use to respond to and recover from an emergency. This assessment also serves to identify issues for subsequent improvement.

(b) The Physical Security Branch develops promotional and educational materials such as posters, publications, classroom and web-based training courses, and exercises and drills

designed to give employees the information they need to remain safe in the workplace. This measure tracks the number of products (posters, publications, etc.) and activities (training opportunities, drills, etc.) focused on workplace safety and security that are provided to FTC employees.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
(a) 90% (b) N/A	(a) 95% (b) N/A	(a) 95% (b) 39	(a) 95% (b) 70	(a) COOP exercise cancelled (b) 115	(a) 80% (b) 42	(a) N/A (b) Exceeded	(a) 80% (b) 42	

FY 2020 Highlights: The Federal Emergency Management Agency, due to the Pandemic, cancelled the annual Eagle Horizon exercise; consequently, the FTC did not evaluate and score its COOP plan.

The COVID-19 Pandemic resulted in numerous products related to employee safety were published throughout the year; FTC ensured key information was distributed to the workforce and focused on emergency preparedness, insider threat awareness, and COVID-19 pandemic safety practices.

Performance Goal 3.1.2: Percentage of survey respondents who are satisfied or very satisfied with the timeliness of administrative operations.

OED conducts an annual online Customer Satisfaction Survey that is voluntary, anonymous, and offered to all FTC employees. Respondents are asked to indicate their level of satisfaction with a range of OED services on a 5-point scale of Very Satisfied to Very Dissatisfied. This measure tracks the level of customer satisfaction with the OCASO's responsiveness to phone and email requests (Question #34).

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
N/A	81%	82%	87%	78%	75%	Exceeded	75%	

FY 2020 Highlights: Agency staff are satisfied with the timeliness of response to a wide variety of administrative service requests provided by the OCASO. Services included in the survey include transportation, space, facilities, physical security, and records management, among others.

Performance Goal 3.1.3: Achieve a favorable (unmodified) audit opinion from the agency’s independent financial statement auditors.

FTC management is responsible for the preparation and fair presentation of annual financial statements in accordance with U.S. generally accepted accounting principles. As required by law, the FTC’s financial statements are audited annually by independent auditors. The auditors will determine whether the annual financial statements and related notes present fairly, in all material respects, the assets, liabilities, and net position in accordance with U.S. generally accepted accounting principles. The ideal outcome is an unmodified opinion. Potential negative outcomes include a qualified or adverse opinion or a disclaimer from opinion.

FY 1997 to FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
Unmodified Opinion	Unmodified opinion	Unmodified Opinion	Met	Unmodified Opinion	

FY 2020 Highlights: The agency’s FY 2020 independent financial audit yielded our 24th consecutive unmodified opinion, the highest audit opinion available. The independent auditors did not identify any material weaknesses, significant deficiencies, or instances of non-compliance with internal controls, financial systems, or laws and regulations.

Performance Goal 3.1.4: Percentage of new entrant, annual, and termination Public Financial Disclosure Reports that are filed within the required timeframe.

Ensuring public confidence in the integrity of FTC operations is paramount. The Ethics in Government Act of 1978, as amended, requires covered officials at the FTC to file public financial disclosure reports (OGE Forms 278e) addressing their finances as well as other interests outside the federal government. The reports allow for a systematic review of the financial interests of both current and prospective senior staff. The timely filing of the OGE Form 278e helps prevent actual conflicts of interest and ensures the FTC’s Ethics Team is able to identify and address potential conflicts. This measure tracks the percentage of public disclosure reports filed within the required timeframe. Timeframes vary based on the type of required filing, and the FTC’s Ethics Team may grant limited extensions of the filing deadline for good cause.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
N/A	N/A	N/A	98.3%	95.1%	95.0%	Met	95%	

Performance Goal 3.1.5: Percentage of contract actions awarded within FTC’s established Procurement Action Lead Time (PALT).

The agency’s Acquisitions Branch engages in the time-intensive process of awarding government contracts, task orders, and modifications. To measure the efficiency of this work, this measure tracks the percentage of contract actions awarded within established lead times. The lead time varies depending on the type of contract.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
78%	65%	57%	67%	89%	70%	Exceeded		75%

FY 2020 Highlights: With the agency’s transition to a new financial and procurement system, the agency is now able to generate its PALT percentage automatically from a system report. Previously, PALT was calculated manually off a spreadsheet of all contract actions kept by acquisitions staff. This should lead to more accurate reporting. Data from FY16 to FY19 still reflects manual calculation.

Objective 3.2 Cultivate a high performing, diverse, and engaged workforce.

Goal Leaders: Executive Director, Office of the Executive Director; Director, Bureau of Consumer Protection; Director, Bureau of Competition; Director, Bureau of Economics; General Counsel, Office of the General Counsel; Director, Office of EEO/IEE

Strategies, External Factors, and Risks

Strategy	Related Performance Measures	Related External Factors
<p>Enable the agency to recruit, develop, and retain a highly qualified and diverse workforce.</p>	<p>Measure 3.2.1 Measure 3.2.2 Measure 3.2.3 Indicator 3.2.IND.1 Indicator 3.2.IND.2 Indicator 3.2.IND.3 Indicator 3.2.IND.4</p>	<ul style="list-style-type: none"> • Strong job markets. • Federal human capital regulations and requirements are set by the President, Congress, and other agencies such as the Office of Personnel Management (OPM), and the Office of Management and Budget (OMB). • Impact of COVID-19 on job market. • Availability of cost-effective external training resources.
<p>Potential Risks</p> <ul style="list-style-type: none"> • Strong job markets have led talented staff to seek more lucrative opportunities at higher-paying agencies or in the private sector. • Changes to federal human capital regulations, legal authorities, mandates, and requirements may affect the ability of the FTC to implement specific human capital strategies related to recruitment, training, and retention. • External talent may be hesitant to seek new employment opportunities due to the impact of COVID-19 on work conditions (possible exposure, lack of information on remote work flexibilities, etc.). • Cost-effective external training resources may not be available to supplement and expand the agency’s internal employee development and training opportunities. 		

Strategy	Related Performance Measures	Related External Factors
Enhance Senior Executive Service (SES) performance by ensuring they and other executive leaders receive USAP Training at least three times per year. The training will coincide with the major performance plan/appraisal stages (Initial plan formulation, Mid-year review, and End-of-year closeout).	Measure 3.2.4	<ul style="list-style-type: none"> • USA Performance (USAP) is a software system managed by OPM. • USAP has delayed the rollout of Senior Level (SL/ST) performance plans, which are projected for mid- to late-FY21.
<p>Potential Risks</p> <ul style="list-style-type: none"> • Executives must ensure they are available to attend the OPM USAP training sessions. Lack of training could hinder the executive’s ability to process performance plans and appraisals timely and accurately. 		

Strategy	Related Performance Measures	Related External Factors
Use integrated workforce planning to identify and fulfill current and future human capital needs, including Human Capital (HC) professionals.	Indicator 3.2.IND.3 Indicator 3.2.IND.4	<ul style="list-style-type: none"> • Strong job market for federal HC professionals in the Washington, D.C. area. • Limited availability of qualified federal HC personnel.
<p>Potential Risks</p> <ul style="list-style-type: none"> • Staff may seek more lucrative opportunities at higher-paying agencies or in the private sector. • Vacant HC positions could take a long time to fill. 		

FY 2020 Progress Update

Leveraging Technology to create human capital efficiencies:

In FY20, the FTC’s Human Capital Management Office (HCMO) implemented two new human resources data systems to improve the efficiency and effectiveness of its FTC’s human capital management programs: the Personnel Security Case Tool and the Electronic Telework Agreement System.

- **Personnel Security Case Tool (Service Now – Human Resources Service Delivery Module):** Built upon the ServiceNow HR Service Module, this new system improves the ability of the Personnel Security Office to conduct investigations, track upcoming investigations, and report results to the Office of the Director of National Intelligence. The new system receives electronic delivery of investigation results from the Defense Counterintelligence and Security Agency in a secure manner. This system will become

the cornerstone of the FTC's transformation of the onboarding and offboarding system.

- **Electronic Telework Agreement System:** Leveraging the SharePoint platform, HCMO rolled out a new electronic Telework Agreement System to allow all FTC employees to submit new and updated telework agreements electronically. This system replaces the manual paper process, which required the agency to store hard copies of signed telework agreements. The new electronic system builds a telework forms workflow in SharePoint to route employee-submitted agreements, first to their supervisors for approval and then to HCMO's Telework Coordinator. The system allows employees to submit all intermittent, regular, and full-time telework requests. Additionally, the system allows HCMO to track and report employees' telework status, which was previously not available in the paper-based system.
- **Strengthening Senior Executive's Performance Plans:** The agency migrated all SES FY 2020 performance plans into USAP, and expects to migrate SL/ST performance plan templates into this system in FY 2021, after OPM upgrades USAP.

The agency is modernizing its HC systems by, among other things, migrating from paper-based to electronic systems. The success of these projects requires the FTC to recruit and retain staff with the requisite project and database management skills to successfully implement and manage electronic databases and provide support to internal customers. The FTC's ability to recruit the HC workforce of the future is impacted by a strong labor market for federal HC professionals in the Washington, D.C. area, the availability of opportunities at higher-paying agencies and in the private sector, and by staff turnover in HCMO. Another factor is the limited availability of qualified, experienced HC professionals with federal HC experience.

FY 2021-2022 Next Steps and Future Actions to Meet Strategic Objective

- Develop an agency-wide workforce plan and implement an integrated workforce planning process that supports succession planning within HCMO and other FTC Bureaus and Offices.
- Develop and implement/deploy an electronic onboarding and off boarding system that utilizes workflows and automation, greatly improving the customer experience while addressing audit findings.
- Train internal customers to use the agency's Federal Personnel and Payroll System (FPPS) to initiate and authorize personnel actions. Build internal control mechanisms in FPPS to address proper separation of duties for HCMO staff, and requiring personnel actions entered by one member of HCMO be approved by a second member of HCMO. These controls will help ensure the security, validity, and authorization of such actions.
- Leverage the FTC's Service Now platform by integrating an HR Service Center with existing FTC Service Now offerings. This will enable FTC staff to initiate HC service requests, research answers to frequently asked questions, improve the customer

experience by allowing staff to access a single platform to receive services from HCMO and OCIO, and increase shared services efficiencies.

- Utilize Microsoft Power Business Intelligence and other data analysis tools to create dynamic reports to inform the agency's workforce planning and decision-making processes.
- Improve the integrity of human capital data through periodic reviews to provide reliable, accurate, data-driven insights to the FTC's leadership team.
- Continue to support a culture of change management and adoption.
- Continue to improve the candidate-selection recruitment timeline through business process re-engineering.
- Support agency efforts to promote diversity and encourage inclusion, including the recently formed Task Force on Equity.
- Partner with hiring managers to deploy recruitment and outreach strategies to attract a diverse workforce, including utilizing the Schedule A hiring authority to increase the representation rate of people with disabilities, and using Veteran's Recruitment Appointment and other hiring authorities to increase the representation of veterans at the agency.
- Partner with the University of Maryland's Federal & Global Fellows Program to recruit and onboard interns each spring.
- Develop, update, or revise HC policies to ensure that the agency's HC programs function within a regulatory framework, and ensure responsiveness and compliance with governing statutes and regulations.
- Promote and expand the use of federal compensation flexibilities, such as recruitment, retention and relocation incentives, superior qualifications/special needs pay setting, student loan repayments, and other human resources flexibilities such as telework, reasonable accommodation, and wellness programs that support employee retention.
- Track the number of reasonable accommodation requests received and resolved by quarter.
- Provide new managers with the training, skills, and resources to process reasonable accommodation requests correctly and foster an inclusive environment.
- Assess agency training needs and programs annually and determine how these programs contribute to mission accomplishment to meet both individual and organizational performance goals.
- Continue to provide proactive support to managers, supervisors, and employees on human resources programs and issues through individual consultations, classroom and virtual training, brown bag sessions, webinars, notices and guidance to employees, the agency's newsletter (i.e., FTC Daily), and the quarterly HCMO newsletter.

- Continue to provide performance management training to managers/supervisors and employees via online tutorials and individual consultations.
- Update internal Standard Operating Procedures to ensure the standardization and consistency of HCMO’s operating processes and procedures.

Performance Measures

Performance Goal 3.2.1: The extent to which FTC employees consider their agency to be a best place to work.

Employee satisfaction is measured by averaging the results from three questions on the Federal Employee Viewpoint Survey (FEVS). Measuring the overall job satisfaction of FTC employees provides managers with important information regarding employees’ general satisfaction with their organization and the work they do. Overall job satisfaction is closely correlated with employee retention.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
81%	83%	85%	84%	89%	Exceed the government-wide average by 10 points (69+10=79%)	Exceeded	Exceed the government-wide average by 10 points	

Performance Goal 3.2.2: The extent employees believe the FTC encourages an environment that is open, diverse, and inclusive.

This measure is based on the FEVS New IQ Index, which gauges the extent to which employees believe the agency has policies and programs that promote a work environment that is open, diverse, and inclusive. The New IQ Index identifies behaviors that help create and sustain an inclusive work environment. Workplace inclusion is a contributing factor to both employee engagement and organizational performance.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
75%	78%	78%	78%	Data not available	Exceed the government-wide average by 10 points	N/A	Exceed the government-wide average by 10 points	

Key Performance Goal 3.2.3: The extent to which employees believe the FTC cultivates engagement throughout the agency.

The Employee Engagement Index of the FEVS determines this measure. The Index gauges the extent to which employees believe that management listens and provides meaningful support and feedback in various areas that assist staff in supporting the overall mission of the agency. The index is based on FEVS questions that assess three sub-factors: Leaders Lead, Supervisors, and Intrinsic Work Experience.

- **Leaders Lead:** Employees’ perceptions of leadership’s integrity as well as leadership behaviors such as communication and workforce motivation.
- **Supervisors:** Interpersonal relationship between worker and supervisor, including trust, respect, and support.
- **Intrinsic Work Experience:** Employees’ feelings of motivation and competency relating to their role in the workplace.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
82%	83%	83%	84%	87%	Exceed the government-wide average by 10 points (72+10=82%)	Exceeded	Exceed the government-wide average by 10 points	

Performance Goal 3.2.4: The extent to which employees believe FTC management promotes a results-oriented performance culture.

The Results Oriented Performance score of the FEVS determines this measure. The score indicates the extent to which employees believe their organizational culture promotes improvement in processes, products and services, and organizational outcomes.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
70%	73%	74%	75%	Data not available	Exceed the government-wide average by 10 points	N/A	Exceed the government-wide average by 10 points	

Other Indicators

Indicator 3.2.IND.1: Percentage of eligible FTC employees who have telework agreements.

This indicator provides information on overall employee participation in the FTC telework program. Telework is a valuable tool that supports workplace flexibility by allowing an employee to perform work –during any part of regular, paid hours—at an approved alternative worksite (e.g., home, telework center). It is an important tool for achieving a resilient and results-oriented workforce.

NOTE: In FY 2020, we are reporting a higher frequency of telework participation as the agency is mandated to work remotely in response to continuity of operations planning for the COVID-19 pandemic emergency. Prior data measured routine telework participation in the program as a workforce flexibility provided to FTC staff.

FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual
N/A	85%	88%	99%

Indicator 3.2.IND.2: Number of requests for reasonable accommodations resolved through the FTC’s reasonable accommodations process.

This indicator tracks the resolution of requests for reasonable accommodation submitted to the HCMO Disability Program Manager by FTC employees or job applicants with permanent or temporary disabilities that affect the performance of their job duties. Tracking this data helps ensure the agency complies with the policies and procedures outlined in the Administrative Manual, Chapter 3: Section 300 - Disability Anti-Discrimination Policy and Reasonable Accommodation Procedures.

FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual
N/A	46	84	32

Indicator 3.2.IND.3: Average number of days to issue a certificate of eligible candidates to a hiring manager.

This indicator tracks the average number of days it takes for HCMO HC specialists to issue a certificate of eligible candidates to hiring managers after a job opportunity announcement has closed. Providing a list of eligible job candidates in a timely manner enables managers to continue to meet the FTC mission by filling vacant positions with qualified persons as quickly as possible.

FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual
N/A	13.5 days	19 days	15.3 days

Indicator 3.2.IND.4: Average number of days to make a hiring decision.

This indicator tracks the average number of days between the date hiring managers receive a certificate of eligible candidates and the date managers return hiring certificates to HCMO for processing after they make a hiring decision. Making timely hiring decisions increases the likelihood that hiring managers will be able to recruit qualified, top candidates.

FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual
N/A	29 days	32 days	31.6 days

Objective 3.3 Optimize technology and information management that supports the FTC mission.

Goal Leader: Executive Director, Office of the Executive Director

Strategies, External Factors, and Risks

Strategy	Related Performance Measures	Related External Factors
<p>Maintain a resilient and highly available IT infrastructure by streamlining monitoring and management of IT systems and services, building redundancy and security into system architectures, and proactively replacing and optimizing system components.</p>	<p>Measure 3.3.1</p>	<ul style="list-style-type: none"> • Rate of change in information technology industry. • Increased number of staff teleworking. • Downward pressure on data center and infrastructure spending across the federal space.
<p>Potential Risks</p> <ul style="list-style-type: none"> • If information technology providers release new products and features too quickly, the FTC may lag in technology implementation, increasing the likelihood of using obsolete or unsupported technologies. • Increased number of staff teleworking could have an impact on the architectural design and performance of FTC’s IT network. • Further downward pressure on Federal IT spending for IT infrastructure and federal data centers could reduce resources available to replace aging components. 		
Strategy	Related Performance Measures	Related External Factors
<p>Modernize agency business applications and data by migrating to secure, cost-effective cloud-based environments with vendor-backed service level agreements for system availability.</p>	<p>Measure 3.3.2</p>	<ul style="list-style-type: none"> • Security of cloud service providers. • Downward pressure on federal spending.
<p>Potential Risks</p> <ul style="list-style-type: none"> • Stringent requirements for information security related to cloud systems may increase costs. • Downward pressure on federal spending could lead to limited funding available for significant upfront investments needed for IT modernization efforts. 		

Strategy	Related Performance Measures	Related External Factors
<p>Focus on documentation, process improvements, continuous monitoring, and data collection and analysis to advance the maturity of the FTC's information security program.</p>	<p>Measure 3.3.3</p>	<ul style="list-style-type: none"> • Emerging and unforeseen information security threats and malicious actors. • Changes in federal mandates and guidance regarding information security. • Labor availability, both contractor and federal staff, with necessary skill sets for new technologies.
<p>Potential Risks</p> <ul style="list-style-type: none"> • New technologies may present unique information security challenges or require creative solutions to securing the system without affecting user experience. • Evolving information security threats affect the security of individual IT systems and services and the FTC's overall risk posture. • New federal mandates and guidance on information security and IT management create new and unexpected challenges. • Resources with skills needed to support emerging information security challenges and technologies are drawn to agencies and organizations with higher paying positions and benefits. 		

Strategy	Related Performance Measures	Related External Factors
Continue the transition to electronic information resource management and electronic record keeping; comply with the Managing Government Records Directive M-19-21.	Measure 3.3.5	<ul style="list-style-type: none"> NARA approval of FTC records schedules.
Potential Risks <ul style="list-style-type: none"> Potential delay in transition of electronic records could occur due to dependence on approved records schedules that the FTC is in the process of updating. 		
Strategy	Related Performance Measures	Related External Factors
Research technology solutions for managing email records.	Measure 3.3.5	<ul style="list-style-type: none"> FTC's IT infrastructure.
Potential Risks <ul style="list-style-type: none"> FTC's IT infrastructure modernization may delay identifying the best solution for the agency. 		

FY 2020 Progress Update

- During FY 2020, the FTC completed projects to implement several new technologies, applications, and systems designed to improve performance and user experience, while simultaneously enhancing the agency's information security profile. These include:
 - Migrating agency email to a secure cloud-based email and office productivity platform.
 - Deploying an application whitelisting tool to prevent unauthorized changes to agency endpoints and a user behavior analytics tool to monitor anomalies.
 - Implementing a cloud-access security broker to provide secure access to cloud-based systems and trusted external sites.
 - Adopting a cloud-based identity and access management tool to enhance user authentication and establish a foundation for future improvements to user account management.
- The FTC continues to upgrade, reengineer, and replace aging, end-of-support infrastructure components and applications to increase user functionality and decrease the risk of downtime, system failures, and security vulnerabilities. In FY 2020, the FTC completed projects to upgrade local area network switches and desktop and server operating systems.
- The FTC destroyed over 2,700 boxes of temporary records stored at NARA and WNRC. As part of its review, NARA has asked the FTC to update its retention schedules for

all mission and policy-related records. The FTC will resume transferring permanent records and destroying temporary records after NARA approves new records schedules.

- The FTC designated Records and Information Liaisons as points of contact across the agency to assist in the implementation of records management policies and procedures. The agency has established quarterly training and developed a critical element that can be used in employee performance evaluations.
- In September 2019, NARA assessed email records management within 14 small agencies, including FTC. The FTC is exploring technological solutions to address NARA's recommendations.
- The FTC implemented a new integrated library catalog, replacing a 20-year-old system that reduces the FTC's reliance on in-house technology in favor of a modern cloud solution to support agency staff better.
- The FTC developed a SharePoint-based site that permits staff to search agency records easily.
- The FTC has begun to update the FTC's electronic information system inventory with key characteristics related to records management.
- As the FTC modernizes IT systems and increases the use of shared and cloud-based services, agency policies and procedures regarding records management, privacy, information security, and risk management may not align with technology and best practices for modernized digital services, causing delays in deployment, increased level of effort, and customer dissatisfaction if expected functionality is not available.
- Any constraint on resources, including funding and personnel, needed for IT investments could hinder modernization efforts and the FTC's ability to refresh and replace aging infrastructure components.
- Traditional methods of contracting for IT services may hinder the FTC's ability to leverage agile development methods and promote creativity and innovation amongst contractors.

FY 2021-2022 Next Steps and Future Actions to Meet Strategic Objective

- Submit mission and policy-related retention schedules to NARA for appraisal and approval.
- Continue to develop an agency-wide information governance policy to support efficient management of electronic information with appropriate access restrictions.
- Implement marking of all relevant FTC-owned and operated systems in accordance with the final Controlled Unclassified Information rule.
- Expand scope of integrated library system to include subscriptions and databases.
- Replace physical copies of magazine and other serials with electronic versions.
- Complete the update of FTC's electronic information system inventory with key characteristics related to records management.

- Begin efforts to digitize the HSR Premerger Filing Process from end-to-end using cloud-based, low-code application development platforms to increase customer satisfaction and decrease FTC staff time spent on processing paper-based forms.
- Begin piloting new security monitoring and management tools, including an upgraded security information and event management tool to support monitoring logs and events across all FTC systems, regardless of location and technology platform.
- Transition to a modernized information and communications technology network that will support FTC's increased use of cloud services and mobility with less risk of performance degradation.
- Replace aging and unsupported equipment throughout FTC's local area network.
- Continue to mature information security and risk management processes and documentation to monitor and mitigate risks associated with IT modernization efforts.

Performance Measures

Performance Goal 3.3.1: Availability of information technology systems.

Information technology systems must be available and accessible to support the FTC mission. Lack of availability and accessibility severely constrains employees' and managers' ability to serve the public and stakeholders. This measure tracks service outages and monitors the uptime of 11 critical information technology services, as well as the agency's infrastructure backbone, including:

- Email
- FTC-specific applications and systems
- Wireless services
- Internet
- Intranet
- Phone and Voicemail
- Wide Area Network
- The agency's primary public website (www.ftc.gov)
- Litigation support applications and systems
- Economic support systems
- Remote employee access

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
99.75%	99.70%	99.71%	99.98%	99.97%	99.60%	Exceeded	99.60%	99.95%

FY 2020 Highlights: Major FTC systems, such as email, litigation support systems, and public websites, maintained high availability in line with cloud provider service level agreements and continuous improvements and upgrades in platform technologies.

Performance Goal 3.3.2: Percentage of IT spend on Provisioned IT Services.

This measure tracks the agency’s progress in moving IT services to the cloud. Transitioning to cloud-based services is a key component of FTC’s Information Resource Management Strategic Plan and will benefit the FTC through increased flexibility, dependability, and, ultimately, cost savings.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
N/A	N/A	36.6%	37.0%	40.0%	40.0%	Met	40.0%	

FY 2020 Highlights: FTC continued its efforts to migrate from legacy on-premise infrastructure to provisioned services, meeting targets for spending on provisioned services. Projects directly contributing to provisioned service spending include legacy custom application migration to cloud-based platforms and deployment of a cloud-based identity and access management system.

Performance Goal 3.3.3: Achieve a favorable rating in the FTC Cybersecurity Index

This measure monitors the agency’s progress in achieving multiple critical cybersecurity metrics, each of which measures the agency’s cybersecurity posture and strength in protecting the confidentiality, integrity, and availability of information systems. The cybersecurity metrics that populate this Index are the percentage of:

- Major systems with a valid Authority to Operate (ATO). Measures the number of major IT systems with a valid ATO, documenting review of system security controls and review and acceptance of system risks.
- Government Furnished Equipment (GFE) workstations that meet the “acceptable” vulnerabilities threshold. Measures the number of GFE workstations with critical and potentially exploitable vulnerabilities, indicating the agency’s risk level for cyberattacks. This is a measurement of the most frequently compromised assets.
- GFE workstations scanned quarterly. Measures the number of GFE workstations scanned to ensure vulnerabilities are addressed in a timely manner based on risk and impact. Leading indicator on the repeatability and effectiveness of the vulnerability assessment and remediation processes.
- GFE workstations patched within 30 days. Workstations are scanned monthly to make sure they have the most recent patches. GFE workstations that have been patched within the 30 days prior to the monthly scans have a reduced opportunity to exploit vulnerabilities.
- Assets with valid baseline configuration. Measures the number of assets with a documented and validated baseline configuration. This is an indication of how well the IT environment is known and secured. Undocumented assets cannot be effectively secured.

- GFE workstations that meet the baseline configuration. Measures the number of GFE workstations that deviate from that baseline without a documented risk acceptance. This is an indicator of the effectiveness of the configuration management process.
- Unprivileged users using multi-factor authentication. Measures the number of unprivileged users (i.e., general FTC staff) using multi-factor authentication to access the FTC network, decreasing the risk of unauthorized access to agency systems.
- Privileged users using multi-factor authentication. Measures the number of privileged users (i.e., system administrators with elevated system rights) using multi-factor authentication to access the FTC network, decreasing the risk of insider threat and unauthorized access to highly sensitive data.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
N/A	N/A	3 of 8	6 of 8	7 of 8	6 of 8	Exceeded	6 of 8	

FY 2020 Highlights: FTC continues to improve its documentation regarding policy exceptions and IT asset configurations, leading to a direct improvement in the metrics related to valid Authority to Operate and valid baseline configurations.

Performance Goal 3.3.4: Percentage of the FTC’s paper records held at the Washington National Records Center (WNRC) that are processed and appropriately either (a) destroyed or (b) transferred to the National Archives and Records Administration.

This measure tracks the agency’s progress in dispositioning its paper records, in compliance with federal records management regulations and requirements. The agency maintains approximately 18,000 boxes of temporary and permanent records at WNRC that are eligible for disposition. The agency will destroy temporary records and transfer permanent records to the NARA in accordance with our records disposition schedule. Disposing of the agency’s WNRC holdings will ensure the agency is compliant with NARA and OMB directives and will reduce spending for offsite storage. Timely transfer of permanent records helps the FTC to avoid incurring digitization costs before NARA’s stated deadline to stop accepting transfers of paper records after 2022.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
N/A	N/A	N/A	16.9%	31.3%	≥ 50% of WNRC holdings processed	Not Met	[on hold]	

FY 2020 Highlights: In FY 2020, the agency authorized the destruction of 3,987 boxes of WNRC holdings and identified an additional 8,157 boxes to be destroyed. The agency also authorized the transfer of 208 boxes of WNRC holdings to the custody of NARA. However, as is standard practice, these requests were halted mid-year at NARA’s request pending the FTC’s development of new records schedules for mission and policy-related work; this is standard practice when new schedules are needed. The agency is collaborating closely

with NARA to develop new schedules and has already begun to submit them to NARA for approval.

Performance Goal 3.3.5: Successfully transfer permanent electronic records dated between 2004 and 2016 to NARA in a timely manner.

This measure will track the agency’s progress in processing and transferring its electronic records in order to comply with federal records management regulations and requirements. The agency began maintaining its permanent records in an electronic format in 2004. Pursuant to the agency’s records schedule and the “Managing Government Records Directive,” OMB M-12-18, the FTC is obligated to identify and transfer Permanent Electronic Records to the custody of NARA.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2020 Status	FY 2021 Target	FY 2022 Target
N/A	N/A	N/A	2004-2006 records transferred	No records transferred	Transfer permanent electronic records dated 2007-2009	Not Met	[on hold]	

FY 2020 Highlights: In FY20, the agency identified and authorized the transfer of permanent electronic records for 2007-2009 to the custody of NARA. However, these requests were halted mid-year at NARA’s request pending the FTC’s development of new records schedules for mission and policy-related work; this is standard practice when new schedules are needed. The agency is collaborating closely with NARA to develop new schedules and has already begun to submit them to NARA for approval.

Descriptions



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Protecting Consumers

The FTC advances its goal of protecting consumers through five law enforcement areas (Privacy and Identity Protection, Financial Practices, Marketing Practices, Advertising Practices, and Enforcement), as well as through five additional functions (Litigation Technology and Analysis, Consumer Response and Operations, Consumer and Business Education, Economic and Consumer Policy Analysis, and Management). The FTC's eight regional offices also further this goal by bringing a variety of consumer protection cases within the five law enforcement areas and maintaining important contacts with state Attorneys General and other state and local consumer protection officials.

Protecting Consumers: Budget by Activity
(\$ in thousands)

	Fiscal Year 2021		Fiscal Year 2022	
	FTE	Dollars	FTE	Dollars
Privacy and Identity Protection	61	\$12,932	63	\$13,974
Financial Practices	71	15,077	73	16,162
Marketing Practices	122	26,142	128	28,438
Advertising Practices	59	12,543	60	13,330
Enforcement	54	11,399	57	12,596
Consumer Response and Operations	25	18,890	26	18,862
Litigation Technology and Analysis	37	7,829	41	9,107
Consumer and Business Education	21	7,330	22	7,913
Economic and Consumer Policy Analysis	8	1,630	11	2,310
Management	12	2,531	12	2,631
Subtotal Direct	470	\$116,303	493	\$125,323
Support	142	\$80,287	160	\$83,282
Total	612	\$196,590	653	\$208,605

Privacy and Identity Protection

The goal of Privacy and Identity Protection is to protect consumers' privacy, while balancing the benefits from the flow of information in our marketplace economy, and to help consumers prevent, mitigate, and remediate the damage caused by identity theft. This program uses a combination of law enforcement, consumer and business education, and policy initiatives to accomplish this goal.

- **Consumer Privacy and Data Security:** Privacy and Identity Protection leads nationwide efforts to protect consumers from unfair, deceptive, or other illegal practices involving the use and protection of consumers' information. Law enforcement under Section 5 of the FTC Act is a central part of this program, including cases in which companies have misrepresented how they use and share personal information they collect from consumers or failed to take reasonable steps to secure consumers' data. Another key priority is protecting the privacy of children under age 13 by enforcing the Children's Online Privacy Protection Act, which requires online (including mobile) sites and services that collect personal information from children to provide parents with notice and get their consent prior to collection. In the area of financial privacy, the FTC enforces its rule implementing the privacy provisions of the Gramm-Leach-Bliley Act. The FTC also enforces its Safeguards Rule, which requires financial institutions to implement reasonable administrative, technical, and physical safeguards to protect customer records and information. In addition to its enforcement efforts, the FTC issues reports and hosts workshops on general privacy, mobile privacy, Big Data, the Internet of Things, data brokers, and new technologies such as drones, smart TVs, and ransomware.
- **Accuracy and Privacy of Credit Information:** Privacy and Identity Protection works to ensure the accuracy and privacy of consumer information used to screen applicants for loans, jobs, insurance, and other benefits. Privacy and Identity Protection enforces the Fair Credit Reporting Act (FCRA), which holds credit bureaus and furnishers of information responsible for the accuracy of credit report information, gives consumers the right to check and correct their credit reports, limits how such information may be used, and requires reasonable procedures to ensure that such information is obtained only by entities with a permissible purpose to use it.
- **Identity Theft:** The FTC serves as a centralized repository for consumer complaint, victim assistance, and education services on avoiding and responding to identity theft and is the leading source of this information for consumer assistance and law enforcement training. Consumers can report incidents of identity theft online or by phone, and the complaints are entered into the FTC's Consumer Sentinel Network, which is accessible to domestic and international law enforcement partners. Additionally, the Commission also issues numerous education materials to help consumers protect themselves from identity theft and to deal with its consequences when it does occur. The FTC launched an improved version of [IdentityTheft.gov](https://www.ftc.gov/identitytheft)

(robodeidentidad.gov in Spanish), a free, one-stop resource people can use to report and recover from identity theft.

Financial Practices

Financial services play an important role in the daily lives of virtually all Americans. Financial Practices works to ensure financial services providers give truthful information, gain consumers' consent to charges, and abide by other basic rules, so that consumers can make better-informed decisions and that law-abiding companies operate on a level playing field.

- **Financial Technology:** As new consumer and small business financial products emerge in the non-bank financial marketplace, Financial Practices has been examining these developments, reaching out to stakeholders, gathering information through public dialogue and workshops, and bringing actions emphasizing that companies using new technologies must follow the same basic laws as traditional market participants, including by honoring promises to consumers and gaining consumers' consent to charges.
- **Lead Generation and Short-Term Lending:** Financial Practices protects consumers applying for short-term loans, by ensuring that lending companies do not gain an unfair competitive advantage by promising false loan terms and also by taking action against companies that sell consumers' sensitive loan application information (leads) to non-lenders, often without the consumers' knowledge or consent, subjecting them to potential fraud and misuse.
- **Small Business Financing:** Small businesses are a critical part of the economy, and they rely on financing to survive and grow. Financial Practices protects small businesses and their owners from deceptive and unfair practices in the marketing, servicing, and collection of loans and other alternative forms of financing – through both education and enforcement efforts.
- **Motor Vehicle Sales, Financing, and Leasing:** For most consumers, the purchase of a car or truck is their most expensive financial transaction, other than the cost of housing. Financial Practices leads the FTC's efforts to protect consumers from deceptive or unfair practices in auto purchasing, financing, and leasing transactions.
- **Debt Collection:** The Fair Debt Collection Practices Act prohibits deceptive, unfair, and abusive debt collection practices that can harm consumers who are unable to pay their debts due to job loss or other financial problems. Financial Practices uses enforcement and education to protect consumers from such harmful practices. It also conducts public workshops and makes policy recommendations on developments in the debt collection marketplace.
- **Debt Relief and Credit Repair Services:** Financial Practices targets firms that make deceptive offers to assist consumers in reducing or renegotiating their debt, including a mortgage, or repairing their credit. These claims mislead consumers already in financial distress about what services they will provide and how much they charge

for them. The scams vary, and include offers to provide mortgage loan modification, foreclosure relief, short sales, mortgage refinancing, loan forgiveness, debt settlement, debt negotiation, and credit counseling. Victims often find themselves in even more dire financial straits than before engaging the services.

- **Student Loans and Education:** Consumers invest substantial time and money in education, often incurring steep debt. Financial Practices leads the FTC's enforcement efforts against deceptive and unfair practices in the education sector, including by taking action against high school diploma mills that charge consumers for worthless certificates, higher education institutions that deceive consumers about their employment and earnings prospects, and education lead generators that lure consumers into providing their personal information under false pretenses.

Marketing Practices

Marketing Practices fights frauds that target consumers. Its enforcement priorities include scams with high-dollar losses and scams that target or disproportionately impact particular segments of the population. Marketing Practices spearheads the FTC's efforts to address violations of the Do Not Call and Robocall Rules, and tackles online and high-tech fraud. Marketing Practices also enforces the Commission's rules that prohibit spam and protect purchasers of franchises and business opportunities, funeral services, and certain products with warranties. By leading the Every Community Initiative and Legal Services Collaboration, Marketing Practices seeks to enhance the FTC's work to fight fraud that targets or disproportionately affects particular segments of the population, such as older consumers, lower-income communities, ethnic or racial minorities, veterans and service members, small business owners, rural communities, and others.

- **Fraudulent Schemes:** One focus of the FTC's fraud program is to stop scams harming people who seek to work independently or generate additional income. Marketing Practices targets fraudulent business opportunity and investment schemes, including coaching and mentoring scams, fraudulent multi-level marketing operations, and invention-promotion or similar scams. Marketing Practices also targets "imposter" schemes, where scammers impersonate government agencies or well-known companies to enhance the credibility of otherwise deceptive sales pitches. In addition, Marketing Practices brings actions to stop deceptive prize promotion schemes, grant scams, fake healthcare plans, and sham charitable fundraising. Marketing Practices also coordinates the FTC's work to reduce fraud through research and analysis into how fraud affects different segments of the population and how the agency can best respond to fight fraud affecting every community. As part of this mission, Marketing Practices leads the coordination of the FTC's elder justice work.
- **Telemarketing Fraud and Do Not Call:** Marketing Practices enforces the Telemarketing Sales Rule (TSR), including the TSR's Do Not Call and Robocall Rules, to halt abusive and deceptive telemarketing schemes. Working closely with state Attorneys General, other federal, state and international law enforcers, as well as private sector partners, Marketing Practices targets areas for law enforcement, organizes enforcement sweeps, and helps publicize consumer and business education

to combat telemarketing fraud and violations of the Do Not Call and Robocall Rules. Marketing Practices also has spearheaded innovation to spur development of technological tools that block unwanted calls and to advance the next generation of Caller ID Authentication.

- **Internet Fraud:** Marketing Practices leads the FTC’s law enforcement efforts to prevent and halt online fraud. Staff focuses on initiatives to keep pace with the latest high-tech Internet schemes, as well as undercover surveillance and rapid law enforcement response when fraudulent schemes are detected. Recent law enforcement initiatives have focused on “tech support” scammers, who tell consumers that their computers are infected with malware or have performance problems in order to sell them expensive online repair software to remedy the supposed infection or problem when, in reality, there are no problems with the consumers’ computers.
- **Facilitating Fraud:** Marketing Practices targets law enforcement against entities that facilitate fraud, such as Voice over Internet Protocol service providers, “voice blasters,” and lead generators that assist illegal robocallers, as well as payment processors that participate in fraudulent schemes by providing fraudsters with access to the banking or credit card systems, while helping the fraudsters avoid anti-fraud detection efforts.
- **Rule Enforcement:** In addition to enforcing the TSR, Marketing Practices enforces the Commission’s Franchise and Business Opportunity Rules, which require specific material disclosures in the marketing and sale of a franchise or a business opportunity. Marketing Practices also enforces the CAN-SPAM Rule and the FTC’s interpretations of the Magnuson-Moss Warranty Act, and coordinates the agency’s enforcement of the Funeral Rule.

Advertising Practices

Advertising Practices enforces the nation’s “truth-in-advertising” laws and, through reports, advocacy, and industry outreach, articulates the FTC’s policies on advertising regulation. Whether ads appear online, on television or radio, or in newspapers, magazines, or social media, these laws require companies to tell the truth and to back up their claims with reliable, objective evidence. Advertising Practices uses a variety of tools to protect consumers from misleading claims, including bringing law enforcement actions in federal and administrative courts, issuing warning letters, providing guidance to industries, advocating effective self-regulation by the advertising industry, and providing consumer and business education. Working to protect consumers’ health, safety, and economic interests, these efforts span a broad range of products and practices.

- **Advertising for Foods, Over-the-Counter Drugs, Dietary Supplements, Medical Devices, and Health-Related Services:** Advertising Practices devotes substantial resources to ensuring the accuracy of health claims in advertising and takes action against companies making deceptive representations. In addition to traditional law enforcement actions, Advertising Practices works with other federal agencies and partners to combat misleading health claims by sending warning letters targeting

not only perennial scams, but also scams “du jour” such as bogus products purported to treat, cure, or prevent COVID-19. Advertising Practices monitors deceptive advertising of addiction-related services, including enforcement of the [Opioid Addiction Recovery Fraud Prevention Act](#). The FTC also creates educational materials to help companies understand claims substantiation requirements and to help consumers, including the elderly and other vulnerable populations, spot deceptive claims.

- **Endorsements, Search Results, Consumer Reviews, and Native Advertising:** Advertising Practices enforces the basic principles, incorporated in the FTC’s Endorsement Guides, that endorsements must be truthful and not misleading, and that material connections between advertisers and endorsers should be disclosed clearly. Based on the idea that consumers have a right to know when they are receiving a sales pitch, this principle similarly applies to social media marketing (including consumer-generated content), paid search results, and “native advertising” (the practice of blending advertisements with news, entertainment, and other editorial content in digital media). The FTC issued an Enforcement Policy Statement on Deceptively Formatted Advertisements, as well as an educational Business Guide on Native Advertising, addressing these issues. Advertising Practices also enforces the Consumer Review Fairness Act, which prohibits provisions in form contracts that restrict a consumer’s ability to post truthful reviews about a seller’s goods, services, or conduct. Advertising Practices engages in significant outreach to educate businesses, especially small businesses, about how to comply with the FTC Act when using endorsers, influencers, and online reviews (such as answering questions sent to Endorsements@FTC.gov).
- **Deceptive National Advertising:** Advertising Practices addresses deceptive national advertising practices in a variety of media and marketplaces through law enforcement, staff guidance, and policy work. This work includes cases and warning letters against television and data service providers, online ticket sellers, and online travel sites; guidance to advertisers on making effective disclosures online; overseeing the agency’s approach to broadband claims; and workshops on the ticket resale market and lootboxes in online games. Advertising Practices also works with self-regulatory organizations to promote truthful national advertising.
- **Tobacco, E-Cigarette, and Alcohol Advertising:** Advertising Practices leads the FTC’s efforts to stop the deceptive or unfair marketing of tobacco, including e-cigarettes, and alcohol, administers federal laws governing the rotation of health warnings on ads and packaging for cigarettes, and publishes annual reports on cigarette and smokeless tobacco advertising and marketing. The FTC has announced its intention to publish similar reports on e-cigarette advertising and marketing. The FTC coordinates with the Food and Drug Administration (FDA), as the FDA has assumed many tobacco-related responsibilities pursuant to the Family Smoking Prevention and Tobacco Control Act. For example, the FTC and FDA sent joint warning letters to sellers of e-liquids (nicotine-containing liquids used to refill vape pens) that were sold in packages closely resembling candy, cookies, and juice popular with

very young children. Advertising Practices also monitors self-regulation of the alcohol advertising industry, and encourages improved standards and compliance.

- **Contact Lens and Eyeglass Rule Administration and Enforcement:** Advertising Practices enforces the Contact Lens and Eyeglass Rules, which require that contact lens and eyeglass prescribers (optometrists and ophthalmologists) automatically provide patients with a copy of their prescriptions at the completion of a lens or eyeglass fitting. The Contact Lens Rule also prohibits lens sellers from providing lenses to customers without first verifying prescription information. Advertising Practices has brought a number of cases enforcing the Contact Lens Rule, has sent warning letters to numerous prescribers and sellers regarding possible Contact Lens Rule or Eyeglass Rule violations, and engages in ongoing business education. In 2020, the agency issued amendments to the Contact Lens Rule, and it has initiated regulatory review of the Eyeglass Rule.

Enforcement

Enforcement litigates civil contempt and civil penalty actions to enforce federal court injunctions and administrative orders in consumer protection cases; coordinates actions with criminal law enforcement agencies through its Criminal Liaison Unit; develops, reviews, and enforces a variety of consumer protection rules and guides; administers the Bureau's green marketing program; coordinates the negative option initiative; and handles bankruptcy and collection matters in consumer protection cases.

- **Order Enforcement:** Enforcement is responsible for ensuring compliance with all administrative and federal court orders entered in FTC consumer protection cases. To carry out this mission, Enforcement actively monitors compliance with consumer protection orders, conducts investigations of possible order violations, litigates civil contempt actions in federal court to enforce injunctions, and initiates court actions to obtain civil penalties for administrative order violations.
- **Criminal Liaison Unit:** The Criminal Liaison Unit (CLU) encourages criminal prosecution of those responsible for consumer fraud by identifying fraudulent activities, bringing them to the attention of criminal law enforcement authorities, and coordinating civil and criminal enforcement actions. CLU works closely with prosecutors, criminal investigative agents, and FTC staff to ensure the smooth progress of parallel prosecutions. In addition to identifying and referring specific fraudulent activity, CLU also educates criminal law enforcement authorities about the FTC and its mission, and provides legal and practical advice to FTC staff.
- **Rules and Guides:** Enforcement develops, reviews, and enforces a variety of consumer protection rules and guides. For example, in the energy arena, Enforcement is responsible for rules requiring the disclosure of operating costs of home appliances (the Appliance Labeling Rule), octane ratings for gasoline (the Fuel Rating Rule), and the efficiency rating of home insulation (the R-Value Rule). Enforcement also has responsibility for rules and guides as diverse as the Mail or Telephone Order Merchandise Rule, which requires companies to ship goods when promised; the

Textile, Wool, Fur, and Care Labeling Rules, which require proper origin and fiber content labeling of textile, wool, and fur products, and care instructions; and the Jewelry Guides, which provide guidance on the marketing of precious metals, gemstones, and pearls.

- **Green Marketing:** The FTC's Green Marketing program focuses on advertising claims that tout the environmental benefits of products and services. Enforcement administers the program by developing the Commission's Environmental Marketing Guides, litigating enforcement actions, and conducting consumer research and other studies to better understand the marketplace.
- **Negative Option Marketing:** Enforcement coordinates the Negative Option Marketing initiative that addresses deceptive practices in the use of negative option offers (i.e., any offer in which a seller interprets consumers' silence, failure to take an affirmative action to reject goods or services, or failure to cancel a sales agreement as acceptance of an offer). To accomplish this mission, Enforcement litigates civil actions against marketers that deceive consumers; hosts workshops with industry representatives, consumer groups, and members of the academic community; and issues reports that discuss marketing trends and provide guidance to industry.
- **Bankruptcy:** Enforcement's bankruptcy/commercial law attorneys represent the Commission in federal bankruptcy court and advise staff generally on a host of bankruptcy and commercial law issues. The bankruptcy group preserves and enforces the Commission's claims for monetary relief, ensures that defendants do not use bankruptcy as a haven from law enforcement actions, and counsels staff on a wide variety of bankruptcy and commercial law issues related to monetary relief.
- **Collections:** Enforcement conducts investigations, attaches assets, and litigates contempt actions in order to collect outstanding monetary judgments obtained by the Bureau of Consumer Protection. Additionally, Enforcement coordinates collection activities with the Department of the Treasury.

Litigation Technology and Analysis

Litigation Technology and Analysis plays a central role in BCP's investigation and litigation of consumer protection matters, including working with attorneys to assess litigation support needs, managing the technological tools used to conduct investigations and litigation, and evaluating and implementing emerging technologies. In an age of increasingly complex technology, staff needs access to the best tools available in order to investigate targets and marshal evidence. Litigation Technology and Analysis is responsible for various efforts and activities, including:

- **Digital Forensic Unit:** The Digital Forensic Unit conducts forensic examinations of digital media to identify, collect, analyze, and preserve electronically stored information for use in court.
- **E-Discovery Unit:** The E-Discovery Unit uses technological tools to process, organize, manage, and produce electronically stored information.

- **Forensic Accounting:** Forensic accountants analyze financial information to help locate assets and maximize the amount of money that can be recovered and returned to consumer victims.
- **Honors Paralegal Program:** Honors paralegals provide a wide range of assistance to BCP on investigations, litigation, and policy initiatives.
- **Tech Lab:** The Tech Lab provides BCP staff innovative tools to investigate targets, detect unfair or deceptive activity, capture evidence, and conduct research. The Lab's stand-alone network is designed to allow BCP staff to replicate consumers' experiences with desktop, mobile, and other devices.
- **Office of Technology Research and Investigation:** This Office conducts independent studies and investigations, identifies the consumer protection issues associated with new technologies, and provides technical expertise and training to BCP staff.
- **Technology Planning:** The Division's staff analyzes and anticipates BCP's technological needs in fulfilling its consumer protection mission.

Consumer Response and Operations

Consumer Response and Operations hears directly from consumers across the country and analyzes information to assist in targeting law enforcement and educational efforts, measures the impact of mission activities, and allocates resources.

- **Consumer Response Center:** The Consumer Response Center responds to consumer complaints and inquiries received by the toll-free consumer complaint lines, 877-FTC-HELP and 877-ID-THEFT, the FTC's Internet complaint forms at www.ftc.gov/complaint, and postal mail. Information from complaints is entered into the FTC's Consumer Sentinel Network and used to target law enforcement and consumer and business education activities.
- **Consumer Sentinel Network:** The Consumer Sentinel Network is the FTC's secure website that provides approximately 3,000 federal, state, local, and international law enforcement users with access to more than 18 million consumer fraud and identity theft complaints largely collected during the past five years, in addition to over 29 million Do Not Call Registry complaints. Every year the FTC publishes a report of the top consumer complaints received, including a break out of complaint data on a state-by-state basis.
- **National Do Not Call Registry:** The National Do Not Call Registry is the mechanism through which consumers can elect to avoid receiving telephone solicitations from telemarketers. Telemarketers are required to remove any telephone numbers included in the registry from their calling lists. The registry currently has over 240 million active telephone number registrations.
- **Data Analysis Team:** The Data Analysis Team performs analytical research, provides data to the public on interactive dashboards, and creates reports about trends in

consumer protection complaints. . The Data Analysis Team also provides analytical support to the Bureau’s law enforcement efforts through collecting, refining, and analyzing data in support of litigation and investigative efforts.

- **Office of Claims and Refunds:** The Office of Claims and Refunds (OCR) is responsible every year for distributing millions of dollars of refunds obtained as a result of FTC lawsuits. For example, from January 2019 through December 2019, the FTC’s law enforcement actions yielded more than \$231.9 million in refunds to defrauded consumers, including \$136 million mailed directly by the FTC to 1.92 million people.
- **Operations:** Operations oversees and supports budget and performance measurements, including strategic planning for the Bureau; oversees and supports procurement efforts on behalf of the Bureau; monitors and reports on human capital management to the Director’s Office; and works closely with the other Bureau divisions and regions to ensure administrative and resource needs are met.

Consumer and Business Education

Consumer and Business Education runs creative national campaigns to educate consumers about their rights and businesses about their responsibilities. It applies skill in communications, design, and building partnerships to solve consumer protection problems.

- **Outreach to Consumers and Businesses:** Consumer and Business Education creates print and online consumer and business education material in partnership with other divisions in the Bureau of Consumer Protection and participates in hundreds of outreach events including webinars, trainings, and presentations. It publishes hundreds of blog posts in English and Spanish and sends free email alerts to over 400,000 subscribers. Consumer and Business Education manages the FTC’s bulk publication ordering website (ftc.gov/bulkorder), through which about 13,000 organizations a year, including police, libraries, schools, banks and congressional offices, order material to distribute in their communities. In FY 2019, the FTC distributed 13.7 million pieces of consumer education through the bulkorder site.
- **COVID-19:** Consumer and Business Education developed a multi-media campaign, complete with a dedicated website, about scams associated with the COVID-19 pandemic (ftc.gov/coronavirus/scams-consumer-advice and ftc.gov/es/coronavirus/las-estafas-relacionadas-con-el-coronavirus). The site contains a library of more than 80 consumer and business blog posts and scam alerts on topics ranging from relief checks and treatment claims to charity fraud, government imposter scams, and misinformation and rumors. The site also houses robocall recordings, videos on avoiding COVID-19 scams and avoiding Economic Impact Payment scams, social media shareables, infographics, and materials in other languages. Recognizing the once-in-a generation economic shift resulting from the pandemic, DCBE developed materials on the [financial impact of the coronavirus](#), and will continue its work to inform and protect consumers in this challenging environment. DCBE conducts national and local outreach with partners to reach a variety of audiences, including older consumers, ethnic media, housing organizations, and re-entry groups by using

webinars, tele-town halls, Twitter chats, Facebook Live events, as well as interviews with local and national media.

- **IdentityTheft.gov:** The Divisions of Consumer and Business Education and Consumer Response and Operations continue to operate [IdentityTheft.gov](https://www.identitytheft.gov) ([robodeidentidad.gov](https://www.robodeidentidad.gov)), an innovative website where identity theft victims can report identity theft and get personal recovery plans. The mobile- and tablet-accessible site also produces Identity Theft Reports that victims can use in place of police reports in most cases to help restore their credit to its pre-crime status. The site also lets consumers report tax-related identity theft report the crime to the IRS. IdentityTheft.gov is integrated with the Consumer Sentinel Network so that consumers' identity theft reports become available to law enforcement agencies nationwide. More than 2 million victims have used the site to report identity theft since its inception in January 2016. In FY 2019, Consumer and Business Education distributed over 3.46 million print publications relating to consumer education on identity theft.
- **Outreach to Military Service Members:** Consumer and Business Education developed and manages the Military Consumer campaign with the U.S. Department of Defense, the Consumer Financial Protection Bureau, and Military Saves. The campaign addresses unique challenges of military life that often make military families targets for scammers. Service members and their families can use the campaign website ([MilitaryConsumer.gov](https://www.MilitaryConsumer.gov)) as a tool for financial readiness.
- **Kids' Online Safety & Cyberbullying:** Consumer and Business Education developed the "Net Cetera" ([ftc.gov/netcetera](https://www.ftc.gov/netcetera)) campaign to teach kids and parents how to stay safe online. The campaign is informed by ideas from internet safety, child development, cyberbullying, and public health experts. Consumer and Business Education has distributed more than 14.7 million free copies of the campaign's flagship guide for parents, "Net Cetera: Chatting with Kids About Being Online," to schools, school districts, law enforcement, libraries and other community organizations nationwide.
- **Pass It On:** The Pass It On campaign ([ftc.gov/PassItOn](https://www.ftc.gov/PassItOn) and [ftc.gov/Pasalo](https://www.ftc.gov/Pasalo) in Spanish), tailored to people age 65+, is a research-based campaign to share information about fraud and encourage readers to share the information with a friend. The campaign includes engaging videos and a collection of print and online material in English and Spanish about current frauds, including identity theft and imposter scams. Material builds on and refreshes readers' knowledge by briefly summarizing how certain scams work and what people can do in response. Over 13 million pieces of Pass It On educational material have been distributed.
- **Data Security:** The FTC continued its successful efforts to educate businesses and consumers about privacy and data security, distributing over 400,000 copies of educational materials to help them address ongoing threats. The popular "Start with Security" business outreach campaign continues with its suite of publications (including guides and videos) that help businesses protect personal information,

learn steps to take if a data breach occurs, and help customers avoid identity theft. These materials are available in English and Spanish.

- **Business Education:** Consumer and Business Education manages the FTC’s online business education website (business.ftc.gov), and publishes hundreds of blog posts annually for business people, attorneys, and other professionals. Consumer and Business Education issued new or significantly revised business guidance on the Consumer Review Fairness Act, data security and cybersecurity, and the Fair Credit Reporting Act.
- **Small Business:** Consumer and Business Education continued to expand its “Cybersecurity for Small Business” campaign. Found at FTC.gov/Cybersecurity, the campaign includes fact sheets on 12 cybersecurity topics as well as videos and interactive quizzes. The FTC collaborated with the Small Business Administration (SBA), the Department of Homeland Security, and the National Institute of Standards and Technology to create and promote the materials.
- **Partnerships with Law Enforcement:** Consumer and Business Education establishes partnerships with attorneys general, law enforcement, and consumer protection advocates who share FTC information with their constituents and communities. Consumer and Business Education also manages National Consumer Protection Week, an annual collaboration with local, state, and national groups that highlights consumer education and fraud prevention. Campaign partners include consumer protection, law enforcement, regulatory, aging, non-profit, and education groups nationwide.

Economic and Consumer Policy Analysis

Staff conducts economic and consumer policy analysis to provide the Commission and other policy makers with information to assess and formulate consumer protection policy. In addition to evaluating the likely economic effects of Commission law enforcement action, this work includes economic research and advocacy activities that foster understanding of consumer good markets and consumer protection policy choices. They also work to ensure that consumer interests are represented before various governmental and self-regulatory bodies dealing with consumer-related issues.

- **Consumer Research and Data Development:** To advance the development of sound policy, economic and consumer policy analysis supports data and research projects analyzing how marketing claims and policies affect consumers’ and firms’ decisions. Past studies examined the effects of different types of disclosures on consumer understanding of “recycled content” and “organic” claims for non-food products and the likely effects on consumer choice of “resort fee” pricing in the hotel industry.
- **Economic Studies of Markets for Consumer Goods and Services:** Economic and consumer policy analysis supports targeted economic studies of issues in consumer goods markets that are important to improving our understanding of key consumer protection issues. Recent examples include studies of credit reporting

accuracy, consumer auto buying experiences, and class-action notification practices. The program also supports consumer surveys, such as those measuring consumer susceptibility to fraud, and workshops with outside experts in relevant areas, such as research roundtables on individualized pricing, privacy and data security, and the sharing economy.

- **Economic Support of Consumer Protection Advocacy:** Bureau of Economics staff also provides input for comments to other federal agencies on issues related to consumer protection goals. In the past, they have supported the development of comments to the FDA on food labels and direct-to-consumer prescription drug advertising. More recently, comments included those sent to the FDA on homeopathy, to the Federal Reserve Board on rules and regulations regarding subprime loans, and to the Consumer Financial Protection Bureau and the Department of Housing and Urban Development on various changes in mortgage disclosure documents.

Other Direct Functions

Several other functions within the Consumer Protection Mission directly support our primary law enforcement work, including:

- **Employee Development and Training:** Through its Employee Development and Training Program, the FTC ensures that staff receives the training necessary to perform their jobs. BCP provides training through ongoing seminars, “brown bags,” and lectures on topics such as collections issues and remote depositions. BCP also sponsors periodic seminars for investigators, and provides technical trainings throughout the year. In addition, BCP offers a mentoring program to staff. Staff also participates in the FTC Agency-Wide Diversity Council.
- **Recruiting:** The Bureau of Consumer Protection, in coordination with the Human Capital Management Office, conducts outreach to dozens of law schools and attends several recruiting events to select summer legal interns. Some of these interns receive offers of permanent employment as entry-level attorneys. In addition, the Bureau recruits lateral attorneys and other staff as needs arise.
- **Administrative Support:** Staff in the Director’s office provide support to senior Bureau management to ensure all administrative needs are met, such as arranging travel, tracking the Bureau’s accomplishments, scheduling internal and external meetings, maintaining a log of current cases, and interacting with callers and visitors.

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Promoting Competition

The FTC promotes competition through five primary law enforcement activities (Premerger Notification, Merger and Joint Venture Enforcement, Merger and Joint Venture Compliance, Nonmerger Enforcement, and Nonmerger Compliance) supported by Antitrust Policy Analysis and other direct functions.

Promoting Competition: Budget by Activity
(\$ in thousands)

	Fiscal Year 2021		Fiscal Year 2022	
	FTE	Dollars	FTE	Dollars
Premerger Notification	18	\$3,785	19	\$4,736
Merger and Joint Venture Enforcement	202	42,232	224	53,814
Merger and Joint Venture Compliance	11	2,300	11	2,716
Nonmerger Enforcement	127	26,670	143	34,757
Nonmerger Compliance	1	210	1	251
Antitrust Policy Analysis	26	5,867	32	7,309
Other Direct	20	4,162	20	4,845
Subtotal	405	\$85,226	450	\$108,428
Support	123	\$69,184	147	\$72,767
Total	528	\$154,410	597	\$181,195

PREMERGER NOTIFICATION

While many mergers and acquisitions are either procompetitive or competitively neutral, those that substantially reduce competition can raise costs to consumers, inhibit innovation, lead to diminished product quality, and restrict consumer choice. The Premerger Notification Program, codified in the Hart-Scott-Rodino (HSR) Act, is the FTC's primary means of identifying potentially anticompetitive deals. Under the Act, entities meeting certain thresholds must file notifications with the FTC and the Department of Justice and wait a prescribed period before consummating their transactions. This waiting period provides the antitrust enforcement agencies an opportunity to prevent potentially anticompetitive mergers before they occur. In addition, the FTC reviews news publications, industry research, and customer complaints to identify potentially harmful mergers not subject to the HSR reporting requirements. To distinguish between mergers that threaten competitive markets and those likely to promote competition or be competitively neutral, the FTC conducts thorough investigations that incorporate detailed economic analysis to assess the likely effects on competition.

The FTC's Premerger Notification Program supports effective and efficient competition enforcement by:

- **Facilitating Compliance with HSR Requirements:** The FTC's Premerger Notification Office (PNO) provides information and guidance to ensure that parties to transactions understand when a filing is required and what information they must supply under the HSR Act. In addition to written materials, the PNO answers questions from individuals and organizations to improve the level, completeness, and accuracy of HSR filings.
- **Providing Rapid Initial HSR Review:** Mergers reported under the HSR Act vary tremendously in their complexity and potential for anticompetitive effects. In the majority of cases, the agency can make a reasonable judgment about whether a merger is potentially anticompetitive within a few days based on information provided in the HSR filing. To identify potentially anticompetitive transactions, the PNO prepares a summary description and a preliminary antitrust analysis of reported transactions. These summaries are then reviewed by the Bureau of Competition's litigation divisions, the Bureau of Economics, and the Merger Screening Committee, which includes participants from both Bureaus and convenes regularly to consider which matters require further action. For transactions that are unlikely to harm competition, the PNO, in conjunction with DOJ, may grant early termination of the HSR waiting period, if requested by the filing parties.
- **Coordinating with the Antitrust Division of the Department of Justice:** The PNO administers the HSR Program for the FTC and the Antitrust Division of the Department of Justice (the Antitrust Division), which share authority to challenge anticompetitive mergers. The PNO shares transaction information and works with the Antitrust Division to ensure that the two agencies consistently and uniformly apply Premerger Notification Rules. The agencies use a "clearance" process to ensure

that only one agency initiates an investigation and, if necessary, challenges any given transaction. Assignment to one agency or the other takes place after preliminary review of a transaction, based primarily on each agency's relative expertise in the markets relevant to the proposed transaction.

- **Minimizing the Burden on Business:** The Premerger Notification Program strives to minimize the burden on filing parties while fulfilling the competition enforcement responsibilities of the FTC and the Antitrust Division. To that end, the FTC periodically develops and recommends improvements to HSR rules and procedures and develops and implements improvements where appropriate.

MERGER AND JOINT VENTURE ENFORCEMENT

As noted above, anticompetitive mergers or joint ventures can harm consumers significantly by raising prices, reducing output, reducing product quality, restricting consumer choice, or inhibiting innovation. The Merger and Joint Venture Enforcement Program seeks to prevent these effects in any market in which the FTC has reason to believe a merger is likely to substantially lessen competition, particularly in sectors of the economy that are important to consumers such as technology, health care (including pharmaceuticals), energy, and retail goods and services.

Effective merger enforcement requires the Commission to identify anticompetitive transactions and obtain appropriate relief to maintain competition in the market. To identify whether a merger is anticompetitive, staff must determine whether the merger 1) creates or enhances the ability of the remaining firms to raise prices, reduce output, diminish innovation, or otherwise harm customers, or 2) increases barriers to entry or expansion.

The FTC uses a three-tiered approach to merger enforcement:

- **Identify Potentially Anticompetitive Mergers:** As described above, a Merger Screening Committee—a committee that includes participants from both the Bureaus of Competition and Economics—convenes regularly to consider which matters require further action.
- **Prevent Anticompetitive Mergers:** The most effective and cost-efficient strategy for protecting consumers from acquisitions that may substantially lessen competition is to prevent the harm from occurring. Often, the FTC is able to preserve competition through negotiated settlements resulting in a consent order, or through the parties' voluntary restructuring or abandonment of a transaction. Where these methods are inappropriate or unavailable, the FTC uses its authority under Section 13(b) of the Federal Trade Commission Act to enjoin anticompetitive mergers pending an adjudicative proceeding. Likewise, when the Commission identifies likely anticompetitive consummated mergers, it initiates an administrative proceeding to adjudicate the violation of law and restore competition. Whether achieved by consent or in an administrative proceeding, the most common remedy for a merger involving

horizontal competitors is divestiture of the assets necessary to preserve or restore competition; in other instances, such as mergers involving vertically related firms, the FTC may also use behavioral remedies to prevent competitive harm.

- **Educate Public About Anticompetitive Transactions:** To enhance the FTC's ability to deter future anticompetitive mergers and acquisitions, the agency strives to increase public awareness of the benefits of competition and the factors the FTC considers as it determines whether to take law enforcement action. To this end, the Commission promotes transparency by releasing guidelines and policy statements, and making public facts underlying enforcement actions to provide companies with the information needed to evaluate the likelihood that similar transactions may also violate the law. In specific matters, the agency may also issue public statements, including analyses to aid public comment, complaints, and closing statements, to explain the disposition of the case.

MERGER AND JOINT VENTURE COMPLIANCE

The Merger and Joint Venture Compliance program is responsible for the design and implementation of Commission merger consent orders and for monitoring compliance with order provisions. Staff also monitor and take action to address violations of HSR filing requirements.

- **Implementation of Agreements and Orders:** Merger compliance staff work with enforcement staff, the merging parties, and buyers to monitor the faithful and timely implementation of merger order provisions and ensure that they are sufficient to retain or restore competition in the relevant markets. When the divestiture of assets is delayed, the competitive viability of the assets may decline. To avoid delay, the FTC typically seeks to identify an "up-front" buyer or incorporates order provisions that limit the time within which divestiture must be completed.
- **Monitor Compliance:** Merger compliance staff closely monitor compliance with order provisions and, where necessary, recommend that fallback order provisions be invoked, such as trustee-managed divestiture or the divestiture of larger asset packages. Where violations of order provisions occur, staff may recommend civil penalty actions. Civil penalty actions entail investigation and, where necessary, federal court litigation. In addition to structural remedies, staff also monitor compliance with behavioral order provisions such as bans on the dissemination of competitively sensitive information or requirements to seek approval for, or give notice before, completing specified future mergers or acquisitions.
- **Review Petitions to Modify Orders:** From time to time, parties under order submit petitions seeking modification or termination of all or part of their orders, often due to new market dynamics or other changes in circumstances. The FTC's merger compliance staff reviews these petitions to assess their impact on competition and makes recommendations for Commission action accordingly.

- **HSR Act Compliance:** Merger compliance staff also investigate and take action where firms have failed to meet their filing obligations under the HSR Act. In instances where a violation has occurred, staff may recommend civil penalty action, which must be filed in federal court.

NONMERGER ENFORCEMENT

Antitrust enforcement supports free and open markets by preventing business practices that restrain competition or foreclose entry by new competitors. To this end, the Commission investigates business practices that may make it more difficult for other firms to enter the market or that enable existing competitors to collude.

The FTC challenges a wide variety of business practices that may harm consumers by allowing firms to raise prices beyond competitive levels, or to reduce output, quality, innovation, or consumer choice. These anticompetitive practices generally fall into three broad categories: horizontal restraints, distributional restraints, and unilateral conduct. Identifying and proving these types of violations requires legal and economic analysis and thorough investigation to distinguish between conduct that may threaten the operation of open and competitive markets and conduct that promotes competition or otherwise benefits consumers.

- **Horizontal Restraints:** The horizontal restraints component of nonmerger enforcement looks at anticompetitive agreements between competitors. While some agreements among competitors can be procompetitive, under certain market conditions, horizontal agreements can restrain competition that otherwise benefits consumers, without a legitimate business justification. For example, horizontal restraints, such as price-fixing, bid-rigging, or market allocation, can harm consumers by raising prices or by reducing the quantity and quality of goods and services offered in a particular market. The mission of this program is to deter, detect, investigate, and remedy anticompetitive collusion or its facilitation.
- **Distributional Restraints:** Restraints on the distribution of goods from manufacturers to consumers can facilitate horizontal collusion, or restrict channels of distribution in ways that allow a firm with market power to exclude new competitors, leading to higher prices, reduced quality, or fewer choices. Under certain circumstances, potentially unlawful distributional restraints may include agreements restricting prices or other terms of resale, or agreements restricting the sale or purchase and distribution of goods from firms other than the parties to the agreement.
- **Single-Firm Violations:** A firm with market power is prohibited from using anticompetitive tactics to exclude new competitors that could challenge its monopoly and provide beneficial competition. While neither the possession of market power nor the attempt to achieve it through vigorous or aggressive competition violate the antitrust laws, obtaining, increasing, or maintaining market power by unreasonably exclusionary means is unlawful. The Commission's enforcement efforts challenging

single-firm violations aim to prevent or remedy instances in which firms unlawfully gain or maintain appreciable market power through conduct that would injure long-term consumer welfare. A principal challenge with this enforcement activity is to distinguish improper conduct from vigorous and innovative competition. To that end, the FTC's Bureau of Competition [announced](#) the creation of the Technology Enforcement Division, dedicated to monitoring competition in U.S. technology markets, investigating any potential anticompetitive conduct in those markets, and taking enforcement actions when warranted.

- **Educate Public about Anticompetitive Conduct:** The FTC primarily uses its law enforcement tools to deter anticompetitive conduct and encourage voluntary compliance with the antitrust laws. However, the Commission also releases guidelines and policy statements, and makes public facts underlying enforcement actions to provide companies with the information needed to evaluate the likelihood that similar conduct may also violate the law. In specific matters, the agency may also issue public statements, including analyses to aid public comment, complaints, and closing statements, to explain the disposition of the case. The agency also provides comments to federal, state, and local government agencies, as well as amicus curiae briefs, advisory opinions, and legal and economic analyses to help inform others about emerging issues relating to anticompetitive conduct.

NONMERGER COMPLIANCE

As in its Merger Enforcement Program, the Commission obtains orders in its Nonmerger Enforcement Program to stop harmful conduct and prevent its recurrence. Crafting appropriate orders and monitoring adherence to order terms requires close consultation between enforcement and compliance staff. Unlike orders in merger enforcement cases, orders in anticompetitive conduct cases seldom involve divestiture relief. Instead, nonmerger order provisions are generally proscriptive, requiring a party to “cease and desist” from specified conduct. Compliance staff work to ensure that parties quickly implement these behavioral remedies once an order is entered to enjoin the anticompetitive conduct before it can cause significant and potentially irreparable harm. When appropriate, the Commission may also obtain equitable monetary remedies in federal court, such as disgorgement of ill-gotten gains, in order to deprive wrongdoers from capitalizing on illegal conduct.

- **Implementation of Agreements and Orders:** Nonmerger compliance staff work with enforcement staff and the parties monitor the faithful and timely implementation of order provisions and ensure that they are sufficient to deter anticompetitive conduct while permitting procompetitive conduct to continue.
- **Monitor Compliance:** To monitor compliance, staff review periodic compliance reports required by the orders, conduct follow-up interviews with the reporting parties, monitor relevant media, maintain contacts with the original complainants and other industry participants, and conduct investigations of suspected order violations as needed. Where violations of order provisions occur, staff may

recommend civil penalty actions. Civil penalty actions entail investigation and, where necessary, federal court litigation.

- **Review Petitions to Modify Orders:** From time to time, parties under order submit petitions seeking modification or termination of all or part of their orders, often due to new market dynamics or other changes in circumstances. The FTC's nonmerger compliance staff reviews these petitions to assess whether the original order continues to serve the public interest and makes recommendations for Commission action accordingly.

ANTITRUST POLICY ANALYSIS

Staff conducts antitrust policy analysis to provide the Commission and other policymakers with information to assess and formulate competition policy. Antitrust policy analysis includes the design and completion of economic, industry, or other research that improves the agency's understanding of markets and enables the FTC to identify markets and circumstances in which law enforcement actions would make the greatest impact. The Antitrust Policy Analysis program also aims to ensure that consumer interests are represented before various governmental and self-regulatory bodies addressing market and competition issues. Among the types of activities supported are:

- **Economic and Qualitative Studies of Competition in Markets:** The FTC conducts empirical studies, engages in research, and holds workshops and other public events to help the agency better understand how competition benefits consumers in different markets and contexts. These activities also enable the FTC to bring together industry, economic, and legal experts to assess competition policy challenges in specific sectors of the economy.
- **Reports and Policy Papers:** The FTC issues reports and policy papers discussing the application of antitrust principles to various markets of great importance to consumers, such as technology, health care, energy, and retail goods and services.
- **Competition Advocacy:** To promote sound competition policy and share the agency's significant expertise in competition analysis, the FTC staff often responds to invitations to comment on the competitive effect of proposed laws, rules, or regulations before federal, state, or local governments, as well as self-regulatory bodies. The Bureau of Economics staff provides input in the development of these advocacy comments.

OTHER DIRECT FUNCTIONS

Several other functions within the Competition Mission directly support our primary law enforcement and competition policy work, including:

- **Recruiting:** The Bureau of Competition, in cooperation with the Human Capital Management Office, the Equal Employment Opportunity and Workplace Inclusion Office, and other offices in the FTC, conducts interviews at numerous law schools and

legal recruiting fairs each year to identify and select entry-level attorneys and legal interns. The Bureau also recruits lateral attorneys and other staff members as needs arise.

- **Employee Development and Training:** Through its Employee Development and Training Program, the FTC ensures that attorneys and support personnel receive the training necessary to do their jobs. Hallmarks of the training program are the Bureau of Competition Training Council's seminar series, the summer program for law student interns, and the Bureau of Competition Mentoring Program. Staff also participates in the FTC Agency-Wide Diversity Council.
- **Investigation, Litigation Support, and Electronic Filing:** Investigation and Litigation Support staff are responsible for processing and loading all document productions received during the course of investigations and litigation. This group develops standards for documentary productions and data submissions and uses appropriate technological solutions to ensure Commission staff have timely access to this information.

In FY 2020, due to the COVID-19 pandemic, the Premerger Notification Office suspended all hard-copy and DVD filing submission and implemented a temporary e-filing system for use by the FTC and DOJ to accept HSR filings. Electronic filing improves processing time, minimizes data entry, and reduces costs for both the enforcement agencies and filing parties. This temporary e-filing system will remain in use while the PNO works to develop a permanent, cloud-based e-filing solution.

- **Information Systems Management:** The Bureau of Competition's Information Systems Management staff manages the records systems necessary to report on the work of the Promoting Competition Mission. It also coordinates activities with the FTC's Office of the Chief Information Officer, including the development of intranet resources for staff.
- **Liaison with State Officials:** FTC staff and management coordinate antitrust activities and enforcement with state Attorneys General, including training, consultations, and joint investigations of potentially anticompetitive mergers and business practices, to the extent allowed by applicable laws.

Support

Support consists of management and support activities within the FTC to foster and help achieve the agency's goals of Protecting Consumers and Promoting Competition.

Support: Budget by Activity
(\$ in thousands)

	Fiscal Year 2021		Fiscal Year 2022	
	FTE	Dollars	FTE	Dollars
Commissioners	37	\$7,236	37	\$7,523
Office of the General Counsel	50	10,216	51	10,956
Office of the Secretary	10	1,876	10	1,954
Office of Administrative Law Judges	5	961	9	1,807
Office of the Executive Director	133	122,227	166	125,813
Office of Congressional Relations	6	1,107	6	1,153
Office of Public Affairs	11	2,828	11	2,914
Office of Inspector General	7	1,807	8	2,064
Office of Equal Employment Opportunity	3	643	5	1,070
Office of the Chief Privacy Officer	3	570	4	795
Total Support	265	\$149,471	307	\$156,049
Allocation of Support				
Protecting Consumers	142	\$80,287	160	\$83,282
Promoting Competition	123	69,184	147	72,767
Total Support	265	\$149,471	307	\$156,049

COMMISSIONERS

The Commissioners are responsible for ensuring the effective and efficient execution of the FTC's Congressionally mandated mission. They formulate Commission policy, which guides and directs the staff's work; authorize enforcement actions; and allocate the required resources. They also monitor the FTC's progress in accomplishing stated goals.

OFFICE OF POLICY PLANNING

The Office of Policy Planning (OPP) conducts research, develops policy recommendations, and generates written comments and reports on a variety of competition and consumer protection issues. OPP staff research and analyze emerging issues relating to competition in a variety of industries, including issues at the intersection of competition and intellectual property, in order to enrich the Commission's expertise and inform enforcement decisions involving novel or complex legal issues. OPP staff frequently work directly with case teams on enforcement matters. OPP advocates for robust competition and consumer protection policies in a variety of federal and state venues by analyzing the competitive ramifications of certain legislative, regulatory, and other policy approaches, making recommendations on how certain policy choices may enhance or impede competition, gathering evidence to identify competitive problems and evaluate how best to address emerging competitive issues, and providing legal and economic analysis upon request. Where appropriate, OPP staff coordinates the FTC's advocacy role with other governmental entities.

OPP staff frequently obtains public input from businesses, consumer groups, academics, and other outside sources through a variety of informal and formal means, including discussions with stakeholders, public hearings, fact-gathering workshops, roundtable policy discussions, and studies conducted pursuant to the FTC's Section 6(b) authority.

OFFICE OF GENERAL COUNSEL

The General Counsel is the Commission's chief legal officer and adviser. The Office's major functions are representing the Commission in court regarding certain matters and providing legal counsel and policy advice to the Commission, the operating Bureaus, and other Offices.

- **Litigation:** In its litigating capacity, the Office of General Counsel (OGC) provides fundamental support to both missions of the agency. OGC defends actions seeking judicial review of Commission orders and trade regulation rules, handles both offensive and defensive appeals of Commission actions seeking preliminary and permanent injunctive relief, prepares pleadings in appellate matters in which the agency is appearing as an amicus, defends the agency in lawsuits and counterclaims brought in district court (including Freedom of Information Act litigation), works with the Department of Justice ("DOJ") Antitrust Division on joint matters, and works with the Office of the Solicitor General on cases in which the agency has an interest.

OGC also counsels staff on the conduct of law enforcement investigations, enforces civil investigative demands and other compulsory processes, advises staff on issues relating to the discovery of electronically stored information, and frequently assists staff in responding to discovery requests directed to the FTC or its staff. It assists DOJ in defending cases brought to enjoin or otherwise challenge agency action, or to obtain monetary damages against the FTC or its personnel. OGC also furnishes advice and assistance concerning other litigation activities.

- **Legal Counsel:** In its counseling capacity, OGC provides confidential legal guidance to the Commission on a wide range of procedural and substantive issues in adjudicative matters, working to ensure that the agency’s adjudicatory process is efficient and fair. It also advises the Commission and staff on legal and policy issues, such as agency jurisdiction, statutory authority, administrative procedure, professional responsibility, and other matters relating directly to the agency’s enforcement goals.

OGC handles a number of matters related to confidentiality and access to information. OGC administers the agency’s Freedom of Information Act (“FOIA”) program, advises on sharing and protecting confidential information submitted to the Commission, and administers requests by state, federal, and international law enforcement agencies for access to non-public documents. OGC assists with briefings of Congressional committees and subcommittees, assists in preparing testimony for Congressional hearings, analyzes proposed legislation affecting the agency, and responds to Congressional requests for agency documents.

- **Federal Ethics:** OGC counsels Commissioners and staff to ensure compliance with the Ethics in Government Act. Its work protects the agency by helping Commissioners and staff avoid conflicts of interest, determining whether former employees may appear in Commission proceedings, and providing reports to the Office of Government Ethics.
- **FOIA:** The FOIA Unit is comprised of attorneys and Government Information Specialists. Often described as the law that keeps citizens “in the know” about government activity, FOIA provides every individual with the right to access information related to the internal workings of the FTC, including access to consumer complaints, investigative records, and congressional correspondence. Attorneys and Government Information Specialists at the FTC process over a thousand FOIA requests per year and ensure compliance with FOIA, the Privacy Act, and the Commission Rules of Practice.
- **Opinion and Analysis:** OGC assists the Commission in drafting opinions and provides all necessary support for the Commission’s adjudicatory functions. Staff provides the Commission with an analysis of complex legal issues and contributes advice and drafting assistance on cutting-edge topics related to the FTC’s adjudicatory responsibilities.
- **Employment, Labor, and Appropriations:** OGC advises agency staff on personnel, labor-management relations, equal employment opportunity, procurement law, and

appropriations law matters. OGC represents the FTC in legal proceedings before such agencies as the Merit Systems Protection Board, the Federal Labor Relations Authority, the Equal Employment Opportunity Commission, and the General Services Board of Contract Appeals.

- **Energy:** OGC is involved in most aspects of the FTC's energy-related work, with primary emphasis on two major areas: crude oil/petroleum products/natural gas and the electric power industry.

OFFICE OF INTERNATIONAL AFFAIRS

The Office of International Affairs (OIA) is responsible for the international aspects of the FTC's goals of promoting competition and protecting consumers. As markets have become more global and the number of antitrust, consumer protection, and privacy laws and agencies continues to grow, the FTC must increasingly address international issues to fulfill its competition and consumer protection objectives on behalf of American consumers.

OIA's work comprises three areas: supporting the FTC's consumer protection and competition case teams with respect to international issues in investigations and cases; building mechanisms for international enforcement cooperation; and working with other nations and international organizations to promote sound competition and consumer protection policies. This work includes providing technical assistance to enable developing competition and consumer protection agencies to obtain the legal and economic skills necessary to adopt and implement sound policies to incorporate into their enforcement, including in cross-border matters.

- **Competition:** OIA assists the FTC's competition mission through advice to case teams on international issues such as access to foreign witnesses and evidence and through its work in various bilateral and multilateral fora.
 - » **Bilateral Relationships:** Effective cooperation with counterpart agencies is a necessity given that many FTC cases involve parties based outside the United States, evidence located abroad, or matters under parallel review by foreign competition agencies. Pursuant to formal cooperation agreements and a network of informal arrangements and relationships, OIA works with FTC staff and foreign agencies to achieve consistent approaches to cases of mutual concern and to promote convergence toward fair procedures, sound analysis, and enforcement that leads to compatible outcomes.
 - » **Activities in Multilateral Competition Fora:** The FTC is a leader in the multilateral organizations that facilitate dialogue and convergence toward sound competition policy and enforcement. In the International Competition Network (ICN), the FTC is a key member of the organization's Steering Group and leads the ICN's implementation work and online training project. It works to develop sound guidance in the areas of digital markets, unilateral conduct, mergers, cooperation, competition advocacy, and agency effectiveness. It promotes implementation of

the ICN's new framework on competition agency procedures and helps to set the ICN's long-term agenda. The FTC is also active in the Competition Committee of the Organization for Economic Cooperation and Development (OECD), the United Nations Conference on Trade and Development (UNCTAD), and regional organizations such as the Asia-Pacific Economic Cooperation (APEC), in all of which the agency shares U.S. experience in order to build consensus on sound antitrust policy. For example, in the OECD, the FTC is playing a key role in developing the recommendations on procedural fairness in competition investigations and on "competitive neutrality."

- » Working Within the U.S. Government: The FTC works with U.S. government agencies and in intergovernmental fora to address competition-related issues, for example as part of the interagency groups that negotiate competition chapters in free trade agreements and address issues that arise in antitrust enforcement by other countries.
- **Consumer Protection:** OIA helps the FTC accomplish its consumer protection and privacy goals by supporting the FTC's investigations and cases with international aspects, building international enforcement cooperation mechanisms, and fostering the development of sound policies that take into account rapid technological and other changes in the global marketplace. These activities include:
 - » Investigative and Litigation Advice and Assistance: OIA supports case teams from BCP and OGC when international issues arise in FTC investigations and cases. OIA's work spans the range of enforcement-related activities, from providing advice and briefings on issues such as jurisdiction and service of process to obtaining evidence, including expert evidence, located abroad, to working with case teams and foreign attorneys to identify and secure foreign assets for consumer redress.
 - » International Enforcement Cooperation: In 2006, Congress gave the FTC powers to combat cross-border consumer fraud more effectively through the U.S. SAFE WEB Act, which provides the FTC with key information sharing, investigative assistance, and cross-border enforcement authority. The FTC has used this authority, along with existing mechanisms, to pursue cross-border wrongdoers robustly and effectively. Congress reauthorized the Act in 2012, and the FTC has continued to expand its use of the Act's tools. The FTC is seeking Congressional support to preserve this important authority before the Act sunsets on September 30, 2020.

The FTC also works closely with a range of Canadian and other foreign consumer protection, privacy, telecommunications and criminal enforcement authorities on advertising, telemarketing, Internet fraud, and privacy and data security investigations and cases. The FTC is a leader in the International Consumer Protection Enforcement Network (ICPEN), a global network of more than 60 consumer protection authorities that aims to protect consumers from fraudulent, deceptive, and unfair commercial practices around the world by sharing

information about cross-border issues and encouraging global cooperation among law enforcement agencies. ICPEN also manages econsumer.gov, its online cross-border complaint site, and co-leads the International Mass Marketing Fraud Working Group, which includes civil and criminal law enforcers from around the world who have developed new enforcement cooperation projects focused on sweepstakes fraud and India-based call center fraud. The FTC also co-chairs the Unsolicited Communications Enforcement Network (UCE-NET) and serves on the governing committee of the Global Privacy Enforcement Network (GPEN), a network of nearly 70 privacy enforcement authorities from 50 jurisdictions. The agency works closely with regional consumer protection networks in Asia, Africa, and Latin America. The agency also has entered into several memoranda of understanding on enforcement cooperation on consumer protection and privacy-related matters with foreign counterparts.

- » Promoting Sound Consumer Protection Policies: OIA advocates for vigorous enforcement of the key rules that protect consumers from significant harm, including fraud, deception, and unfair practices in the global marketplace, through its policy work in international organizations such as the Organization for Economic Cooperation and Development (OECD) and the United Nations Conference on Trade and Development (UNCTAD). The FTC also works closely, in collaboration with the Department of Commerce, on mechanisms that protect consumer privacy and facilitate cross-border data flows such as the Asia-Pacific Economic Cooperation (APEC) Cross Border Privacy Rules system.

- **International Training Assistance:**

- » Cross-Cutting Technical Assistance: The FTC provides technical assistance to developing competition, consumer protection, and data privacy regimes. It also shares staff investigative and analytical expertise and experience with colleagues in more advanced jurisdictions as they address more complex issues. Our program contributes to convergence toward sound policies that benefit American consumers and businesses.

The FTC also responds to requests for comments on draft competition, consumer protection, and privacy legislation and hosts foreign officials who visit the agency to study the U.S. experience in administering its antitrust, consumer protection, and privacy laws.

- » International Staff Exchanges: The FTC has established an International Fellows and Interns program that has enabled foreign competition, consumer protection, and privacy agency staff to work alongside their FTC counterparts, and an FTC staff exchange program. These programs implement the U.S. SAFE WEB Act's authorization of exchanges with foreign antitrust and consumer protection agencies. Over the past twelve years, the FTC has hosted 131 International Fellows and Interns from 41 jurisdictions, including Argentina, Australia, Austria, Barbados, Brazil, Canada, Chile, China, Colombia, Ecuador, Egypt, El Salvador, the European Union, France, the Gambia, Honduras, Hungary, India, Israel,

Japan, Kazakhstan, Kenya, Lithuania, Mauritius, Mexico, Nigeria, Pakistan, South Africa, South Korea, Switzerland, Tanzania, Turkey, Ukraine, the United Kingdom, Vietnam, and Zambia. In addition, FTC staff have participated in outbound exchanges with the competition agencies of Canada, the European Union, and the United Kingdom.

OFFICE OF THE SECRETARY

The Office of the Secretary supports the Commission by implementing, processing, and advising the Commission and its staff on Commission voting and other decision-making procedures.

The Office creates official records of all Commission deliberations and actions taken. The Office also reviews, and the Secretary signs or otherwise validates, all official documents approved or authorized by the Commission. In addition, the Office forwards all Commission Notices to the Federal Register, after signature by the Secretary or the General Counsel, and manages the contract covering Federal Register publication expenditures.

The Office also maintains the agency Operating Manual, and prepares and forwards responses to most Congressional and White House correspondence raising constituent issues. In addition, the Office creates and preserves electronic copies of all relevant actions and documents in the Commission's internal document management system. The Secretary is also the legal custodian of Commission legal and public records, and is responsible for publishing the FTC Decisions Volumes, including more than 150 volumes covering the period from 1914 to 2015, which have recently been placed on the Commission website at www.ftc.gov.

OFFICE OF ADMINISTRATIVE LAW JUDGES

The Office of Administrative Law Judges performs the initial adjudicative fact-finding in Commission administrative complaint proceedings, guided by statutes, precedent, and rules of practice. The Administrative Law Judge holds pre-hearing conferences, resolves discovery, evidentiary, and procedural disputes, and conducts full adversarial evidentiary hearings. The judge's Initial Decision sets out relevant and material findings of fact with record citation, explains the legal standard, and applies the law to the facts.

The Office of Administrative Law Judges is also charged with conducting certain rulemaking proceedings for the Commission. After a hearing on the record, the judge conducting the proceeding recommends a decision to the Commission based on findings of fact and conclusions of law.

OFFICE OF THE EXECUTIVE DIRECTOR

The Office of the Executive Director serves as the managerial and administrative arm of the Federal Trade Commission, with responsibility for the overall operation of the agency. The

Office of the Executive Director works closely with the Bureaus on strategic planning and assessing the management and resource implications of any proposed action. The following Offices are located in the Office of the Executive Director:

- **Financial Management Office:** The Financial Management Office (FMO) is responsible for overseeing the FTC's budget formulation and execution processes, all procurement activities, payment of invoices, development and maintenance of financial policies, ongoing assessment and monitoring of internal controls, implementing and maintaining financial systems, accounting and reporting of financial transactions, and oversight of the FTC's travel management, strategic planning, enterprise risk management, and performance management activities. FMO staff collaborate with Congress, the Office of Management and Budget (OMB), the Department of the Treasury, and other federal agencies to accomplish government-wide goals.

Key FMO activities include:

- » Advising senior management on budget development, justification, execution, and review; working with OMB and Congressional staff to obtain appropriations and subsequent apportionment authority; distributing enacted and Commission-approved resources to agency organizations and projects; and tracking agency resources.
- » Conducting financial oversight and analysis to support the recording of financial transactions in the accounting system; paying invoices for purchases and services performed for the FTC; reconciling the agency's general ledger; reporting assets managed by the FTC, including accounts receivable from court orders, judgments, and receiverships; and reconciling balances with those maintained by Treasury and OMB.
- » Reporting the agency's financial information to Treasury; preparing the consolidated financial statements; and producing the annual Agency Financial Report.
- » Managing the FTC's acquisition activities of goods and services on behalf of the Bureaus and Offices; providing guidance and assistance with all aspects of the requisition process, including statements of work, requests for proposal, contract preparation, award, and administration; and training the agency's Contracting Officer Representatives.
- » Managing the FTC's enterprise risk management and internal control program by continuously identifying and documenting risk related to achieving the agency's strategic goals and assessing the adequacy of financial and operational internal controls, identifying needed improvements, taking corresponding corrective actions, and reporting annually on the condition of the agency's internal controls.

- » Managing the FTC's Oracle-based financial system through an integrated financial system that includes accounting, travel management, and acquisition lifecycle systems.
- » Issuing the FTC's financial policies to implement laws and high-level government-wide requirements and policies (e.g., OMB Bulletins and Circulars).
- » Managing and administering the federal purchase and travel card programs.
- » Managing all components of the agency's E-Travel system; supporting the Bureaus and Offices with all travel requirements, including planning, funding, booking, tracking, and approving travel; and ensuring compliance with the Federal Travel Regulations.
- » The Chief Financial Officer serves as the agency's Performance Improvement Officer, responsible for oversight of all performance management activities, including development of the FTC's Strategic Plan, tracking of the agency's performance metrics, and producing the FTC's Annual Performance Plan/Annual Performance Report.
- **Human Capital Management Office:** The Human Capital Management Office (HCMO) develops and implements human capital programs and policies to align with and support the FTC's human capital strategic objectives. HCMO provides direction, technical advice, and policy guidance to FTC Bureaus, Offices, and leadership on a broad range of talent management and workforce issues, including workforce planning, position management and classification, staffing and placement, background investigations, performance management, workforce development, executive resources, compensation and leave, employee and labor relations, special emphasis programs, and employee benefits services and programs.

HCMO consults with the FTC workforce and collaborates with other federal agencies, such as the Office of Personnel Management (OPM) and OMB, to develop progressive programs and solutions for emerging human capital matters in support of government-wide human capital initiatives. HCMO supports the FTC's mission by:

 - » Providing human capital services, strategies, and guidance to FTC Bureaus and Offices to recruit, hire, develop, engage, retain, or transition a diverse, highly skilled, and high-performing workforce.
 - » Leading Training Council activities to assess the competencies necessary and create core curriculums for critical FTC occupations.
 - » Establishing and administering policies, programs, and services related to employee and labor relations issues, including case support.
 - » Dedicating efforts to make the FTC a best place to work through its human capital programs and management initiatives.

- **Office of the Chief Administrative Services Officer:** The Office of the Chief Administrative Services Officer (OCASO) provides a broad range of administrative and information management services to the agency. In carrying out its support work, OCASO:
 - » Acquires and manages office space, including infrastructure renovations and repairs;
 - » Provides building and grounds management and oversees maintenance and custodial contracts;
 - » Manages physical security, emergency preparedness, continuity of operations, health, and safety programs;
 - » Provides logistical support and coordination for all types of FTC events;
 - » Manages agency-wide support functions, including mail services, printing and copying, couriers, supplies, transit subsidies, parking, and furniture warehousing;
 - » Serves all official Commission documents and receives and processes filings before the Commission;
 - » Manages agency-wide electronic systems that process, track, and store records and information on Commission matters;
 - » Provides library research, reference, and subscription services;
 - » Processes public comments in rulemakings, consent proceedings, workshops, studies, and other matters that solicit public comments; and
 - » Maintains the official public record in all FTC matters.
- **Office of the Chief Information Officer:** The Office of the Chief Information Officer (OCIO) is responsible for providing the FTC with a robust, reliable, secure, rapidly scalable, and interoperable infrastructure; providing connectivity and computing capabilities; and allowing FTC staff and mission partners to access, share, and act on needed information electronically. OCIO develops, modernizes, and enhances mission critical IT applications and systems, business services, and related office automation tools and maintains a robust cybersecurity program that includes the FTC's disaster recovery and continuity of operations efforts. Some key activities performed by OCIO include:
 - » Providing mission critical information systems and services to facilitate litigation, forensic investigations, enforcement, and economic analysis activities;
 - » Ensuring availability of information technology systems through maintenance of a stable, modernized in-house technology infrastructure, including life-cycle management and technology enhancements and provisioning of secure cloud-based services in support of efficiency and improved operations;
 - » Enhancing agency productivity through customer support services, including equipment installation and repair; training and support in the use of information

technology resources; and support of critical information systems and applications;

- » Securing FTC data and information technology systems against current and emerging cybersecurity threats using sophisticated technologies and information assurance activities, providing increased security and compliance without hindering mission success and employee performance.

OFFICE OF CONGRESSIONAL RELATIONS

The Office of Congressional Relations serves as the liaison between the FTC and Congress. It works closely with Congressional Committees and Members' offices, and keeps the Commission apprised of activity on Capitol Hill affecting competition, consumer protection, and the agency. It also coordinates the preparation of Congressional testimony and responses to Congressional inquiries about FTC actions, policies, and programs.

The Office of Congressional Relations:

- Develops, coordinates, and executes legislative advocacy for the FTC.
- Receives and helps coordinate responses to Members' inquiries on behalf of constituents.
- Plans and implements liaison activities with Congress, including briefings by FTC staff, meetings between Members of Congress and Commissioners, and constituent education events.
- Monitors hearings, legislation, and other Congressional activity affecting or of interest to the FTC.
- Coordinates the review by FTC staff of relevant legislation and provides feedback and technical assistance on bills to Congressional offices.
- Prepares agency witnesses to testify before Congress.
- Keeps Congressional staff abreast of major Commission actions.
- Assists nominees for FTC Commissioner positions through the confirmation process.

OFFICE OF THE CHIEF PRIVACY OFFICER

The Office of the Chief Privacy Officer (OCPO) manages the FTC's internal privacy program and is responsible for ensuring that the Commission complies with all applicable privacy laws and guidance. OCPO identifies the privacy risks, controls, and mitigating solutions when making decisions involving the collection, use, sharing, retention, disclosure, and destruction of personally identifiable information. It is also responsible for investigating and mitigating privacy incidents. OCPO accomplishes its support function by:

- Protecting personal information at the FTC throughout its life cycle, including creation/collection, use, sharing, disclosure, transfer, and disposal/disposition through various means, including, but not limited to:
 - » Using Privacy Threshold Analyses to conduct a privacy risk analysis for new information collections;
 - » Publishing Privacy Impact Assessments to provide transparency regarding information collections from members of the public;
 - » Conducting annual continuous monitoring to ensure that privacy and security risks are evaluated throughout the information life cycle; and
 - » Utilizing a process to ensure privacy risks are addressed when information systems are decommissioned.
- Supporting the FTC mission with an evolving privacy program, including:
 - » Developing and implementing a Data Breach Response Plan to respond to privacy events;
 - » Monitoring and analyzing quantitative and qualitative performance measures on the effectiveness of existing privacy activities and using that information to make needed adjustments; and
 - » Maintaining a list of the agency’s social media accounts, applications, and websites to ensure compliance with federal information management laws and guidance.
- Promoting a culture of privacy among FTC staff, contractors, and third parties by, among other things:
 - » Providing privacy awareness trainings for all staff, including in-person privacy training for all new employees, contractors, and international visitors;
 - » Providing counsel and guidance to agency officials and staff on privacy-related issues; and
 - » Coordinating with agency staff to address privacy-related issues associated with information technology and security, legal, acquisitions, budget, and program offices.

OFFICE OF PUBLIC AFFAIRS

The Office of Public Affairs (OPA) informs the news media, as well as the public at large, about the activities of the FTC and responds to media inquiries about Commission actions and policy. OPA also manages the agency’s main website, FTC.gov, and social media accounts, which are critical communication tools for the agency.

In serving as liaison between the FTC, the media, and the public, OPA:

- Arranges and frequently staffs media appearances for the Chairwoman, Commissioners, and other senior officials.
- Ensures that Commission news releases, supporting documents, and consumer and business education materials are disseminated to the media and the public on FTC websites, through use of social media, and other channels.
- Manages the FTC's official presence on Facebook, Twitter, and LinkedIn, including hosting live social chats, live-tweeting and live-streaming workshops and other events, and answering public questions using social media.
- Produces a daily "News Summary" on FTC activities consisting of interesting/influential tweets, clips from newspapers, magazines, online publications, and television.
- Drafts and maintains all social media privacy impact assessments and produces weekly social mentions reports to staff.
- Manages the operations and development of the FTC's primary public website, FTC.gov, including related vendor contracts.
- Establishes governance, standards, and administrative guidance for public-facing web properties managed by offices across the agency.
- Coordinates the development and execution of the agency's digital communications strategy, including collection and analysis of web traffic data and customer experience metrics.
- Provides training and support to FTC web content publishers and authors.
- Provides assistance to the media and bloggers covering FTC activities.
- Promotes and supports major FTC outreach activities and initiatives and uses new technology, as available, to advance these efforts.
- Provides Regional FTC offices with media training and outreach support as needed.
- Produces "Weekly Calendar and Sunshine Notices" reports to inform the public and the media of scheduled "open" Commission activities.
- Works with international, national, and regional media for coverage of Commission activities.
- Obtains transcripts and videotapes of broadcast coverage of Commission activities.
- Coordinates with staff on publication of FTC blogs, posts, and occasional guest posts.

OFFICE OF INSPECTOR GENERAL

The Inspector General Act of 1978 created independent and objective units within the federal agencies to detect fraud, waste, and abuse and promote economy, efficiency, and

effectiveness in agency operations. Each Office of Inspector General (OIG) is responsible for conducting audits and investigations relating to the agency's programs and operations. The Inspector General Act Amendments of 1988 (5 U.S.C. app.) established an OIG within the FTC in 1989. The Office is led by the Inspector General, who has the functions, powers, and duties of an agency head or appointing authority. The Inspector General must keep the agency head and Congress fully and currently informed about problems and deficiencies in the agency's operations and programs.

The Inspector General Act contains statutory guarantees of OIG independence, which ensure the objectivity of the OIG's work and safeguards against efforts to compromise that objectivity or hinder OIG operations. Foremost among these safeguards are the Inspector General's dual reporting to the agency head and Congress, and the requirement for agency management to provide timely access to agency personnel and information. The OIG's independent mission requires that OIG staff be free in fact and appearance from personal, external, and organizational impairments to their independence. The OIG is responsible for the following activities within the FTC:

- **Audits and Evaluations:** The OIG conducts audits and evaluations that address the efficiency, effectiveness, and economy of FTC programs and operations. OIG reports provide information to FTC leadership that identify corrective actions, facilitate program improvements, and improve accountability. Audits and evaluations are systematic and independent assessments that provide timely and credible information for agency managers, policy makers, and others to determine the efficiency, effectiveness, impact, and/or sustainability of agency operations, programs, or performance.
- **Investigations of Fraud, Waste, and Abuse:** The OIG investigates allegations of criminal, civil, and administrative violations of laws, policies, and regulations on the part of FTC employees and individuals or entities that have contracts with the agency. Complaints and allegations of wrongdoing are generally referred to the OIG via the OIG Hotline, in-person, and via mail, and they come from a variety of sources, including FTC employees, other government agencies, and the public. The results of OIG investigations that uncover criminal activity or civil violations are referred to the Department of Justice for consideration for criminal prosecution and/or civil penalties. Investigations that do not substantiate criminal or civil activity, or where criminal prosecution or civil remedies have been declined, are reported to FTC management for appropriate action.
- **Whistleblower Protection:** Federal law prohibits governmental personnel from retaliating against an employee who acts as a whistleblower by reporting suspected waste, fraud, or abuse to the OIG. Allegations of whistleblower retaliation are taken very seriously, and both the OIG and the U.S. Office of Special Counsel have the authority to investigate such matters.
- **Management Advisories:** The OIG issues periodic Management Advisories to inform management expeditiously of findings of systemic weaknesses or vulnerabilities

identified during audits, investigations, or other oversight activity. Management Advisories typically contain recommendations for agency management.

- **Top Management Challenges:** The Reports Consolidation Act of 2000 requires that the Inspector General provide a summary of the OIG's perspective on the most serious management and performance challenges facing the agency and a brief assessment of the agency's progress in addressing those challenges.
- **Congressional Requests and Briefings:** In addition to keeping the Chairperson, Commissioners, and FTC senior management informed of the OIG's work, the Inspector General Act requires the OIG to keep appropriate Congressional committees informed of completed audit, evaluation, and investigation work through semiannual reports to the Congress. These reports summarize the work the OIG has completed and planned during the reporting period, as well as the status of OIG recommendations to management.

Separately, the OIG may respond to requests by Congressional committees, matters referred to the Department of Justice for possible prosecution, and any challenges encountered in obtaining timely information from management.

- **Peer Reviews:** The OIG's investigations and audit functions are subject to triennial external peer reviews conducted under requirements established by the Council of the Inspectors General on Integrity and Efficiency (CIGIE), which is an independent entity within the Executive Branch comprised of federal Inspectors General. OIG staff take periodic training in the various OIG disciplines to ensure that they and the OIG programs adhere to Government Accountability Office, CIGIE, and other quality standards for ensuring accuracy, objectivity, and independence.

OFFICE OF EQUAL EMPLOYMENT OPPORTUNITY AND WORKPLACE INCLUSION

The Office of Equal Employment Opportunity and Workplace Inclusion (OEEOWI) maintains a continuing affirmative employment program to promote EEO, and to identify and eliminate discriminatory practices and policies. OEEOWI engages in proactive management strategies to identify and eliminate barriers to EEO, provides leadership and direction on EEOC regulations and directives, and implements comprehensive affirmative employment initiatives that conform to Federal laws and regulations governing EEO and human resources management. OEEOWI also manages, advises, and oversees the discrimination complaints processing system, including recommending settlements and taking final action, as well as making final decisions on complaints that are consistent with regulations and directives governing the administrative complaint process. OEEOWI also serves as the principal advisor on EEO and affirmative employment programs, policies, and regulations including providing support and advice on issues related to EEO in all aspects of employment. Further, OEEOWI promotes an inclusive and diverse work environment by maintaining relationships with affinity bar associations, providing guidance to the Executive Committee of the FTC Diversity Council, and planning and organizing cultural events for special observances throughout the year.

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Appendix



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Proposed Appropriations Language

Salaries and Expenses

For necessary expenses of the Federal Trade Commission, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and not to exceed \$2,000 for official reception and representation expenses, \$389,800,000, to remain available until expended: Provided, That not to exceed \$300,000 shall be available for use to contract with a person or persons for collection services in accordance with the terms of 31 U.S.C. 3718: Provided further, That, notwithstanding any other provision of law, fees collected for premerger notification filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (15 U.S.C. 18a), regardless of the year of collection (and estimated to be \$136,000,000 in fiscal year 2022), shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: Provided further, That, notwithstanding any other provision of law, fees collected to implement and enforce the Telemarketing Sales Rule, promulgated under the Telemarketing and Consumer Fraud and Abuse Prevention Act (15 U.S.C. 6101 et seq.), regardless of the year of collection (and estimated to be \$13,000,000 in fiscal year 2022), shall be credited to this account, and be retained and used for necessary expenses in this appropriation, and shall remain available until expended: Provided further, That the sum herein appropriated from the general fund shall be reduced as such offsetting collections are received during fiscal year 2022, so as to result in a final fiscal year 2022 appropriation from the general fund estimated at not more than \$240,800,000: Provided further, That none of the funds made available to the Federal Trade Commission may be used to implement subsection (e)(2)(B) of section 43 of the Federal Deposit Insurance Act (12 U.S.C. 1831t).

Program and Financing
(\$ in millions)

Identification Code: 29-0100-0-1-376	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Obligations by Program Activity:			
0001 Protecting Consumers	188	197	209
0002 Promoting Competition	160	154	181
0192 Subtotal, direct program	<u>348</u>	<u>351</u>	<u>390</u>
0799 Total direct obligations	348	351	390
0803 Reimbursable program	1	2	1
0900 Total new obligations, unexpired accounts	<u>349</u>	<u>353</u>	<u>391</u>
Budgetary Resources:			
Unobligated Balance:			
1000 Unobligated balance brought forward, Oct 1	15	5	60
1021 Recoveries of prior year unpaid obligations	7	5	3
1050 Unobligated balance (total)	<u>22</u>	<u>10</u>	<u>63</u>
Budget Authority:			
Appropriations, discretionary:			
1100 Appropriation	217	202	241
1130 Appropriations permanently reduced	---	---	---
1160 Appropriation, discretionary (total)	<u>217</u>	<u>202</u>	<u>241</u>
Appropriations, mandatory:			
1200 Appropriation	---	30	30
1230 Appropriations permanently reduced	---	---	---
1260 Appropriation, mandatory (total)	<u>---</u>	<u>30</u>	<u>30</u>
Spending authority from offsetting collections, discretionary:			
1700 Offsetting collections (HSR Fees)	102	150	136
1700 Offsetting collections (Do Not Call Fees)	12	19	13
1700 Offsetting collections (Reimb. Programs)	1	2	1
1701 Change in uncollected payments, Federal sources	---	---	---
1725 Spending authority from offsetting collections precluded from obligation (limitation on obligations)	---	---	---
1750 Spending authority from offsetting collections, discretionary (total)	<u>115</u>	<u>171</u>	<u>150</u>
1900 Budget authority (total)	<u>332</u>	<u>403</u>	<u>421</u>
1930 Total budgetary resources available	<u>354</u>	<u>413</u>	<u>484</u>
Change in Obligated Balances:			
Unpaid Obligations:			
3000 Unpaid obligations, brought forward, Oct 1	74	76	77
3010 New obligations, unexpired accounts	349	353	391
3020 Outlays (gross)	-340	-347	-438
3040 Recoveries of prior year unpaid obligations, unexpired	-7	-5	-3
3050 Unpaid obligations, end of year	<u>76</u>	<u>77</u>	<u>27</u>
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1	---	---	---
3070 Change in uncollected pymts, Federal sources, unexpired	---	---	---
3090 Uncollected pymts, Fed sources, end of year	<u>---</u>	<u>---</u>	<u>---</u>
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	74	76	77
3200 Obligated balance, end of year	<u>76</u>	<u>77</u>	<u>27</u>
Budget Authority and Outlays (net):			
Discretionary:			
4000 Budget authority, gross	332	373	391
Outlays, gross:			
4010 Outlays from new discretionary authority	281	236	271
4011 Outlays from discretionary balances	59	81	137
4020 Outlays, gross (total)	<u>340</u>	<u>317</u>	<u>408</u>
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-1	-2	-1
4033 Non-Federal sources	---	---	---
4034 Offsetting governmental collections	-114	-169	-149
4040 Offsets against gross budget authority and outlays (total)	<u>-115</u>	<u>-171</u>	<u>-150</u>
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Federal sources	---	---	---
4070 Budget authority, net (discretionary)	<u>217</u>	<u>202</u>	<u>241</u>
4080 Outlays, net (discretionary)	<u>225</u>	<u>146</u>	<u>258</u>
4160 Budget authority, net (mandatory)	<u>---</u>	<u>30</u>	<u>30</u>
4170 Outlays, net (mandatory)	<u>---</u>	<u>30</u>	<u>30</u>
4180 Budget authority, net (total)	<u>217</u>	<u>232</u>	<u>271</u>
4190 Outlays, net (total)	<u>225</u>	<u>176</u>	<u>288</u>

Object Classification
(\$ in millions)

Identification Code: 29-0100-0-1-376

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Direct Obligations			
Personnel Compensation:			
11.1 Full-time permanent	155	169	187
11.3 Other than full-time permanent	7	---	---
11.5 Other personnel compensation	3	5	5
11.8 Special personal services payments	---	---	---
11.9 Total, Personnel Compensation	165	174	192
12.1 Civilian personnel benefits	53	53	62
21.0 Travel and transportation of persons	1	2	2
23.1 Rental payments to GSA	26	24	27
23.3 Communications, utilities, and miscellaneous charges	6	6	7
24.0 Printing and reproduction	2	2	2
25.1 Advisory and assistance services	75	70	74
25.2 Other services	4	4	4
25.3 Purchases of goods and services from government accounts	---	---	---
25.4 Operation and maint. of facilities	1	2	2
25.7 Operation and maint. of equipment	12	12	13
26.0 Supplies and materials	---	1	1
31.0 Equipment	3	1	4
99.0 Subtotal, Direct Obligations	348	351	390
Reimbursable Obligations			
Personnel Compensation:			
11.1 Full-time permanent	1	2	1
99.0 Subtotal, Reimbursable Obligations	1	2	1
99.9 Total, New Obligations	349	353	391

Personnel Summary

Identification Code: 29-0100-0-1-376	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Direct			
1001 Full-time equivalent employment	1,128	1,140	1,250
Reimbursable			
2001 Full-time equivalent employment ¹	3	1	1

¹Includes 1 FTE reimbursed by other federal agencies

Inspector General's Request



Office of Inspector General

UNITED STATES OF AMERICA
Federal Trade Commission
WASHINGTON, D.C. 20580

May 27, 2021

In accordance with the requirements of Section 6(g)(1) of the Inspector General Act of 1978 (as amended), the Federal Trade Commission's Office of the Inspector General (OIG) submits the following information related to its requested budget for FY 2022:

- OIG requests aggregate funding of \$2,064,000 for FY 2022.
- OIG requests \$27,700 for all training needs. The requested amount satisfies all training requirements for the OIG in FY 2022.
- OIG requests \$7,430 for support of the Council of Inspectors General on Integrity and Efficiency (CIGIE). The requested amount satisfies all requirements for the OIG's CIGIE contribution in FY 2022.

<u>FY 2021 Budget</u>		<u>FY 2022 Estimate</u>		<u>Change</u>	
\$ in thousands		\$ in thousands		\$ in thousands	
Full Time Equivalents	Amount	Full Time Equivalents	Amount	Full Time Equivalents	Amount
7	\$1,807.0	8	\$2,064.0	1	\$257.0

Andrew Katsaros
Inspector General
Federal Trade Commission