

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

Office of Commissioner Alvaro M. Bedoya

## Dissenting Statement of Commissioner Alvaro M. Bedoya On the "Emergency" Motion to Delegate Authority to the Chairman to Comply with the Executive Orders on DEI Programs and Associated Guidance

## January 23, 2025

On the day of his inauguration, President Trump signed an order titled: "Delivering Emergency Price Relief for American Families and Defeating the Cost-of-Living Crisis."<sup>1</sup> President Trump denounced the embarrassing truth that in the wealthiest nation on Earth families are "overwhelmed by the cost of fuel, food, housing, automobiles, medical care, utilities."<sup>2</sup>

The President *ordered* agency heads to "deliver *emergency* price relief, consistent with applicable law, to the American people and increase the prosperity of the American worker." He called on them to take actions to lower the cost of housing and expand housing supply, to eliminate the "rent-seeking practices" that raise the cost of healthcare, and to create employment opportunities for American workers.<sup>3</sup>

The FTC is poised to do that. The FTC has stopped grocery mergers that threatened to raise prices on groceries;<sup>4</sup> it has stopped mergers in the construction industry that threatened to make building anything more expensive;<sup>5</sup> it has stopped pharmaceutical companies from gaming the patent system to maintain monopolies on life-saving asthma inhalers;<sup>6</sup> it has freed workers from non-compete agreements that trap them and their families in dead-end jobs.<sup>7</sup>

Andrew Ferguson could have made his first public act as Chairman a motion to study the rising cost of groceries.<sup>8</sup> He could have acted on a pending public petition from a group of wall and ceiling contractors to investigate how lawbreaking contractors can effectively rig contract

<sup>&</sup>lt;sup>1</sup> President Donald J. Trump, "Delivering Emergency Price Relief for American Families and Defeating the Cost-of-Living Crisis," Jan. 20, 2025, https://www.whitehouse.gov/presidential-actions/2025/01/delivering-emergencyprice-relief-for-american-families-and-defeating-the-cost-of-living-crisis/. <sup>2</sup> *Ibid.* 

<sup>&</sup>lt;sup>3</sup> *Id.* (emphasis added).

<sup>&</sup>lt;sup>4</sup> See Danielle Kaye, Federal Judge Blocks \$25 Billion Kroger-Albertsons Grocery Merger, N.Y. Times, Dec. 10, 2024.

<sup>&</sup>lt;sup>5</sup> See Claire Hao, Lehigh Cement Drops \$151 Million Keystone Deal After FTC Block, Bloomberg Law, June 4, 2021.

<sup>&</sup>lt;sup>6</sup> See Blake Brittain, Amneal, US FTC win order removing Teva inhaler patents from FDA list, Reuters, June 10, 2024.

<sup>&</sup>lt;sup>7</sup> See Press Release, Fed. Trade Comm'n, FTC Takes Action Against Another Company That Imposed Harmful Noncompete Restrictions on Its Workers (Mar. 15, 2023), https://www.ftc.gov/news-events/news/press-

releases/2023/03/ftc-takes-action-against-another-company-imposed-harmful-noncompete-restrictions-its-workers. <sup>8</sup> Indeed, former Chair Khan proposed such a study last summer, making the matter ripe for bipartisan consideration. *See* Justin Wise, *FTC Chair Khan Pushes for Inquiry Into Elevated Grocery Prices*, Bloomberg Law, Aug. 1, 2024.

competitions in the commercial construction industry.<sup>9</sup> He could have moved to investigate a pending public petition from shrimpers from Louisiana, Mississippi, and Alabama to investigate potentially false and misleading claims about shrimp imports from India that are farmed with forced labor and shot full of antibiotics.<sup>10</sup>

Chairman Ferguson could have done any number of things to actually lower the cost of living and create opportunities for American businesses and workers. He did none of them. Instead, he cancelled "DEI."

In his first public act, he issued a press release,<sup>11</sup> tweeted it,<sup>12</sup> made an "emergency" motion to his fellow commissioners to grant him undefined powers, and then inexplicably demanded that his colleagues vote immediately.<sup>13</sup>

I have met with corn growers and cattlemen in Iowa. I have met with shrimpers in Biloxi. I have met with pharmacists in Knoxville, grocers in Tulsa, and patients and their doctors in Charleston, West Virginia. I met with the men who build Miami's million-dollar skyscrapers in 110-degree heat.

Let me tell you what they didn't talk about: "DEI."

What they *do* talk about is how powerful companies are skirting or abusing the law to force farmers, workers, and small businessmen to do what they want, when they want, or else. How the government isn't doing anything about it. And how they're going broke because of it.

But Chairman Ferguson seems uninterested in the challenges that regular human beings face. Indeed, one of his first actions as Chairman was to quietly remove the opportunity for the

<sup>&</sup>lt;sup>9</sup> Press Release, National Alliance of Signatory Wall and Ceiling Contractors, SWACCA Testifies to the FTC on Employee Misclassification's Anti-Competitive Impact, (July 23, 2024), (SWACCA press release making public the group's "submission of a petition to the FTC in June requesting that the agency use its existing 6(b) authority to study the nature, scope and intensity of misclassification in the U.S. commercial construction industry"). <sup>10</sup> Southern Shrimp Alliance & Corporate Accountability Lab, "Complaint requesting action to enjoin the dissemination of false or deceptive advertising by Best Aquaculture Practices and Global Seafood Alliance," Nov. 1, 2024, https://shrimpalliance.com/wp-content/uploads/2024/11/CAL-and-SSA-BAP-FTC-Petition-Nov-1-2024-As-Filed.pdf.

<sup>&</sup>lt;sup>11</sup> Press Release, Fed. Trade Comm'n, FTC Chairman Ferguson Announces that DEI is Over at the FTC, (Jan. 22, 2025).

<sup>&</sup>lt;sup>12</sup> See "DEI is a scourge on our institutions..." X.com, Jan. 22, 2025,

https://x.com/AFergusonFTC/status/1882224298347090228.

<sup>&</sup>lt;sup>13</sup> This is what President Trump, acting through the Office of Personnel Management, requires of Chairman Ferguson by noon tomorrow: "No later than 12:00pm EST on Thursday, January 23, 2025, report to OPM on all steps taken to implement this memorandum, including: a complete list of DEIA offices and any employees who in [*sic*] those offices as of November 5, 2024; a complete list of all DEIA-related agency contracts as of November 5, 2024; and any agency plans to fully comply with the above Executive Orders and this memorandum." *See* U.S. Office of Personnel Management, "Memorandum Re: Initial Guidance Regarding DEIA Executive Orders," Jan. 21, 2025. It is unclear why exactly Chairman Ferguson feels he needs an "emergency" vote to satisfy this reporting mandate. What's more, the motion asks that we grant the Chairman authority to enact "any other action otherwise requiring Commission authorization to bring the Commission into full compliance with the Executive Orders." Would this allow the Chairman to override the Commission's normal budget process, so long as he viewed it as necessary to comply with these Executive Orders? The answer is unclear.

public to comment on five different requests for information (RFIs). One of the RFIs asked the public how the Commission could best protect workers from illegal business practices; another sought input on how the Commission could best ensure small businesses are not being preyed upon.<sup>14</sup> Rather than let the American people speak to him, Chairman Ferguson shut them out.

The cost of living is an emergency. This is a game for retweets on X—the kind of stunt that infuriates regular people who cannot make rent. If the Chairman believes Commission action is necessary to comply with the President's lawful orders, he should make motions with specificity and appropriate process. Until then, I will dissent.

<sup>&</sup>lt;sup>14</sup> On January 17, 2025, five requests for information were open for the public to comment on. By January 22, 2025, on Chairman Ferguson's directions, these RFIs were shut down and no longer accepting comment. *See* Request for Public Comments Regarding Protecting Workers from Illegal Business Practices - <u>https://www.regulations.gov/docket/FTC-2025-0008</u>; Request for Public Comments Regarding Small Businesses, Extragrammere and Start Ling. https://www.regulations.gov/docket/FTC-2025-0008; Request for Public Comments Regarding Small Businesses,

Entrepreneurs, and Start-Ups - <u>https://www.regulations.gov/docket/FTC-2025-0010</u>; Request for Public Comments Regarding Mergers and Acquisitions - <u>https://www.regulations.gov/docket/FTC-2025-0009</u>; Request for Public Comments Regarding Predatory Pricing - <u>https://www.regulations.gov/docket/FTC-2025-0011</u>; Request for Public Comments Regarding Surveillance Pricing Practices - <u>https://www.regulations.gov/docket/FTC-2025-0007</u>.