



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

Office of Commissioner Lina M. Khan

**Statement Regarding Request for Public Comment Re: Small Businesses, Entrepreneurs,
and Start-Ups**

January 31, 2025

The following Request for Public Comment Regarding Small Businesses, Entrepreneurs, and Start-Ups was issued by the Commission on January 17, 2025 with a public docket for comments opened at <https://www.regulations.gov/docket/FTC-2025-0010>. However, the document was subsequently withdrawn by Chair Ferguson on January 22, 2025, and the docket was rendered closed for further comments.

To ensure these important lines of inquiry remain available to the public, I am making available the document in its original form as an attachment below.

Request for Public Comments Regarding Small Businesses, Entrepreneurs, and Start-Ups

Background

The Federal Trade Commission (“FTC” or “Commission”) is seeking public input on how the Commission can best ensure fair, competitive, and honest markets for entrepreneurs, small businesses, and start-ups.

In recent years the Commission has been highly focused ensuring that entrepreneurs, small businesses, and start-ups are not preyed upon or disadvantaged by unfair methods of competition or unfair or deceptive practices. This work has included taking legal action against illegal practices by dominant firms that squeeze independent businesses,¹ protecting honest firms from Made in USA fraud,² ensuring franchisees and entrepreneurs are not misled or exploited,³ protecting small businesses from illegal telemarketing,⁴ and promoting a level playing field for start-ups and entrepreneurs to thrive and compete.⁵

At the same time, the Commission’s work suggests that corporate actors have engaged in practices that unlawfully harmed small businesses across an array of markets and industries. This work has spanned a range of industries, including:

- e-commerce⁶
- pharmacy retail⁷
- grocery and food retail⁸

¹ See Press Release, Fed. Trade Comm’n, FTC and State Partners Sue Pesticide Giants Syngenta and Corteva for Using Illegal Pay-to-Block Scheme to Inflate Prices for Farmers (Sept. 29, 2022), <https://www.ftc.gov/news-events/news/press-releases/2022/09/ftc-state-partners-sue-pesticide-giants-syngenta-corteva-using-illegal-pay-block-scheme-inflate>.

² See Press Release, Fed. Trade Comm’n, FTC Finalizes Order Against Motocross and ATV Parts Maker Cycra for False Made in USA Claims (June 2, 2023), <https://www.ftc.gov/news-events/news/press-releases/2023/06/ftc-finalizes-order-against-motocross-atv-parts-maker-cycra-false-made-usa-claims>.

³ See FTC Business Guidance – Franchises, Business Opportunities, & Investments (last visited Jan. 17, 2025), <https://www.ftc.gov/business-guidance/industry/franchises%2C-business-opportunities%2C-and-investments>.

⁴ See FTC Business Guidance – Telemarketing (last visited Jan. 17, 2025), <https://www.ftc.gov/business-guidance/advertising-marketing/telemarketing>.

⁵ See, e.g., Press Release, Fed. Trade Comm’n, Statement Regarding Illumina’s Decision to Divest Grail (Dec. 18, 2023), <https://www.ftc.gov/news-events/news/press-releases/2023/12/statement-regarding-illumina-s-decision-divest-grail>; Press Release, Fed. Trade Comm’n, Statement Regarding the Termination of Sanofi’s Proposed Acquisition of Maze Therapeutics’ Pompe Disease Drug (Dec. 13, 2023), <https://www.ftc.gov/news-events/news/press-releases/2023/12/statement-regarding-termination-sanofis-proposed-acquisition-maze-therapeutics-pompe-disease-drug>.

⁶ Press Release, Fed. Trade Comm’n, FTC Sues Amazon for Illegally Maintaining Monopoly Power (Sep. 26, 2023), <https://www.ftc.gov/news-events/news/press-releases/2023/09/ftc-sues-amazon-illegally-maintaining-monopoly-power>.

⁷ Press Release, Fed. Trade Comm’n, FTC Releases Second Interim Staff Report on Prescription Drug Middlemen (Jan. 14, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/01/ftc-releases-second-interim-staff-report-prescription-drug-middlemen>.

⁸ Press Release, Fed. Trade Comm’n, FTC Sues Southern Glazer’s for Illegal Price Discrimination (Dec. 12, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/12/ftc-sues-southern-glazers-illegal-price-discrimination>;

- farming and agriculture⁹
- payment processing¹⁰
- cash advance lenders¹¹
- gig platforms¹²
- franchises¹³

Accordingly, this Request for Information (“RFI”) seeks information from the public on unfair methods of competition or unfair or deceptive business practices that may impede small businesses, start-ups, or entrepreneurs in any sector or industry in the U.S. economy. Comments submitted in response to this RFI could inform the Agencies’ enforcement priorities and future actions.

Request for Information

The Commission seeks information from consumers, workers, businesses, advocacy organizations, professional and trade associations, local, state, and federal elected officials, and others. The Commission also seeks comment from academics and other experts with knowledge of the operation of specific industries and business sectors as well as the state of small business and competition generally. In response, you may address any, all, or none of the following questions and may address additional topics related to small business competitiveness affecting any industry or business sector you have identified as being impacted by unfair competition or unfair business practices.

The Agencies invite written responses to the following requests. Please identify, where possible, the request number(s) your comments are intended to address.

Press Release, Fed. Trade Comm’n, FTC Sues PepsiCo for Rigging Soft Drink Competition (Jan. 17, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/01/ftc-sues-pepsico-rigging-soft-drink-competition>.

⁹ Press Release, Fed. Trade Comm’n, FTC and State Partners Sue Pesticide Giants Syngenta and Corteva for Using Illegal Pay-to-Block Scheme to Inflate Prices for Farmers (Sept. 29, 2022), <https://www.ftc.gov/news-events/news/press-releases/2022/09/ftc-state-partners-sue-pesticide-giants-syngenta-corteva-using-illegal-pay-block-scheme-inflate>; Press Release, Fed. Trade Comm’n, FTC, States Sue Deere & Company to Protect Farmers from Unfair Corporate Tactics, High Repair Costs (Jan. 15, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/01/ftc-states-sue-deere-company-protect-farmers-unfair-corporate-tactics-high-repair-costs>.

¹⁰ Press Release, Fed. Trade Comm’n, FTC Takes Action to Stop Payment Processor First American from Trapping Small Businesses with Surprise Exit Fees and Zombie Charges (July 29, 2022), <https://www.ftc.gov/news-events/news/press-releases/2022/07/ftc-takes-action-stop-payment-processor-first-american-trapping-small-businesses-surprise-exit-fees>.

¹¹ Press Release, Fed. Trade Comm’n, FTC Action Results in Ban for Richmond Capital and Owner From Merchant Cash Advance and Debt Collection Industries and Return of More Than \$2.7M to Consumers (June 6, 2022), <https://www.ftc.gov/news-events/news/press-releases/2022/06/ftc-action-results-ban-richmond-capital-owner-merchant-cash-advance-debt-collection-industries>.

¹² Press Release, Fed. Trade Comm’n, FTC, Illinois Attorney General Take Action Against Grubhub for Harming Diners, Workers, and Small Businesses (Dec. 17, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/12/ftc-illinois-attorney-general-take-action-against-grubhub-harming-diners-workers-small-businesses>.

¹³ Press Release, Fed. Trade Comm’n, FTC Sues Burger Franchise Company That Targets Veterans and Others With False Promises and Misleading Documents (Feb. 8, 2022), <https://www.ftc.gov/news-events/news/press-releases/2022/02/ftc-sues-burger-franchise-company-targets-veterans-others-false-promises-misleading-documents>.

Comments must be received no later than **Thursday, April 17, 2025 by 11:59pm ET.**

1. Which business practices should the FTC focus on addressing in the coming years to ensure that entrepreneurs, small businesses, and start-ups have access to fair, competitive, and honest markets?
2. To what extent are junk fees undermining businesses' ability to compete fairly on price?
3. How are small businesses being affected by fraud and deceptive business practices, such as impersonator fraud, business directory scams, and misrepresentations about data security?
4. Are there gaps in consumer protection laws that leave small businesses exposed to unfair or deceptive practices?
5. How are small business affected by the rise or increasing dominance of middlemen in specific industries?
6. How can small businesses be encouraged to report potentially illegal tactics to the FTC and state attorneys general?

Instructions for submitting:

1. Go to the docket on regulations.gov
2. Click "Browse Documents"
3. Underneath the document containing the RFI questions, click comment (the blue button)
4. Fill out the form which requires:
 - 4.1.The comment text itself
 - 4.2.The comment category
5. You can submit as: an individual, an organization, or anonymous
 - 5.1.Optional: Attachments to aid your response. You can attach up to 20 files, but each file cannot exceed 10MB. Valid file types include: bmp, docx, gif, jpg, jpeg, pdf, png, pptx, rtf, sgml, tif, tiff, txt, wpd, xlsx, xml.

Please DO NOT include sensitive or confidential information in the comments including:

- social security numbers;
- dates of birth;
- driver's license numbers or other state identification numbers;
- financial account information;
- sensitive health information; or
- competitively sensitive information.

Comments will be posted on the Internet and made available to the public (subject to exceptions such as for personal privacy information of persons other than the submitter).