

Office of Commissioner Rebecca Kelly Slaughter UNITED STATES OF AMERICA Federal Trade Commission WASHINGTON, D.C. 20580

## Statement of Commissioner Rebecca Kelly Slaughter

In the Matter of Care.com, Inc. Matter Number 2223022 August 23, 2024

I'm pleased to join all my fellow Commissioners in support of this complaint against and consent order agreed to by Care.com ("Care") for the company's alleged violations of the FTC Act and the Restore Online Shoppers' Confidence Act ("ROSCA"). I commend the staff's excellent work to uncover the ways in which the company allegedly violated the law by: deceiving consumers about the structure of its membership program; through deceptive and unsubstantiated earnings claims; and by not providing a simple cancellation mechanism of its premium service.

I strongly believe the FTC Act requires us to protect people in all the ways they interact with the market: as consumers, as workers, and as job-seekers. I've been extremely concerned about the over-promises the gig economy makes to workers. The alleged conduct by Care in this matter reinforces that multifaceted concern. Deceptive earnings claims and illusory job leads not only rob people of their time and money but also can distort job markets by artificially depressing wages, keeping people out of work longer, and undoubtedly pushing some into more desperate precarity.

I have long believed that the FTC's historical treatment of competition and consumer protection cases as wholly distinct does not adequately reflect our statutory structure nor does it best protect the Americans we serve. Fundamentally, consumer protection law is procompetitive: it ensures that businesses gain market share by being honest and treating users fairly, not by cheating to gain a competitive edge. In the past, I have argued that the Commission should plead conduct as an unfair act or practice (under the consumer-protection arm of our statute) in antitrust cases where the facts support doing so.<sup>1</sup> The reverse is true as well; conduct giving rise to consumer protection cases may also violate the competition laws we enforce. Based on the evidence before the Commission in this case, no such violation occurred here. However, where the facts support competition as well as consumer protection theories, we should plead all law violations we uncover.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> Rebecca Kelly Slaughter, Concurring Statement of Commissioner Rebecca Kelly Slaughter, Federal Trade Commission; and State of New York v. Vyera Pharmaceuticals, LLC; Phoenixus AG; Martin Shkreli; and Kevin Mulleady, (January 27, 2020),

 $https://www.ftc.gov/system/files/documents/public_statements/1564517/2020_01_27_final_rks_daraprim_concurring_statement.pdf$ 

<sup>&</sup>lt;sup>2</sup> Alleging clear legal violations is essential to the development of the law. *See e.g.* Rebecca Kelly Slaughter & Lina Khan; *Concurring Statement of Commissioner Rebecca Kelly Slaughter and Chair Lina Khan Regarding FTC and State of Rhode Island v. Lifespan Corporation and Care New England Health System*, (February 17, 2022)

I have long encouraged the FTC to better integrate both sides of our house and to think with one brain about how to execute our mission. Effective and holistic use of all our authorities can help make markets, including markets for labor, more functional, more fair, and more competitive. In recent years, I have seen great progress in terms of cross-agency collaboration and communication, and I'm proud of the work the leadership and staff at the agency have done to build cross-agency competencies. I look forward to seeing it develop even further.

https://www.ftc.gov/system/files/documents/public\_statements/1586018/20210112\_final\_joint\_rcrks\_statement\_on\_flo.pdf (Where the Commission should have pleaded a HBNR violation);

Rohit Chopra, Statement of Commissioner Rohit Chopra Joined by Commissioner Rebecca Kelly Slaughter In the Matter of Altria Group, Inc. and JUUL Labs, Inc. (April 2, 2020)

<u>https://www.ftc.gov/system/files/documents/public\_statements/1570265/statement\_of\_comm\_chopra\_in\_the\_matter</u> <u>of\_altria-juul.pdf</u> (Where the Commission should have pursued additional Sherman Act violations and included a UMC count);

Rebecca Kelly Slaughter, Dissenting Statement of Commissioner Rebecca Kelly Slaughter Regarding FTC v. Progressive Leasing, (April 20, 2020)

<u>https://www.ftc.gov/system/files/documents/public\_statements/1571915/182\_3127\_prog\_leasing\_-</u> <u>dissenting\_statement\_of\_commissioner\_rebecca\_kelly\_slaughter\_0.pdf</u> (Where underpleading undermined the deterrent effect of the FTC enforcement action);

Rebecca Kelly Slaughter & Rohit Chopra, *Statement of Commissioners Rohit Chopra and Rebecca Kelly Slaughter In the Matter of UnitedHealth Group and DaVita*, (June 19, 2019),

https://www.ftc.gov/system/files/documents/public\_statements/1529359/1810057uniteddavitachopraslaughterstatem ent.pdf (Where the Commission should have pursued additional legal violations stemming from conduct in Colorado);

Rebecca Kelly Slaughter & Rohit Chopra, Statement of Commissioners Rohit Chopra and Rebecca Kelly Slaughter Federal Trade Commission Report on the Use of Section 5 to Address Off-Patent Pharmaceutical Price Spikes, (June 24, 2019);

https://www.ftc.gov/system/files/documents/public\_statements/1531606/p180101\_section\_5\_report\_dissenting\_stat ement\_by\_chopra\_and\_slaughter\_6-27-19.pdf;.

<sup>&</sup>lt;u>https://www.ftc.gov/system/files/ftc\_gov/pdf/public\_statement\_of\_commr\_slaughter\_chair\_khan\_re\_lifespan-</u> <u>cne\_redacted.pdf</u> (Where the Commission should have included an allegation that the proposed transaction would have substantially lessened competition in violation of the Clayton Act);

Rebecca Kelly Slaughter & Rohit Chopra, *Joint Statement of Commissioner Rohit Chopra and Commissioner Rebecca Kelly Slaughter, Concurring in Part, Dissenting in Part, In the Matter of Flo Health, Inc.* (January 13, 2021)