

Press Release



FTC Expands Interpretation of Its Authority to Challenge Unfair Methods of Competition

PAULINA ENCK | NOVEMBER 15, 2022

The Federal Trade Commission (FTC) recently published a policy statement broadening the agency's interpretation of its authority to challenge "unfair methods of competition" under Section 5 of the FTC Act, signaling a monumental shift in enforcement policy. In a new insight, Competition Economics Analyst Fred Ashton explains why this new policy risks the FTC's enforcement credibility and would harm businesses by leaving them without clear guidelines of acceptable practices.

Key points:

- The FTC's interpretation of its authority to challenge unfair methods of competition reflects the Biden Administration and the FTC's commitment to a more aggressive antitrust enforcement regime.
- Many of the policies outlined in the agency's statement directly conflict with previously issued guidance on Section 5 enforcement and abandon the long-held consumer welfare standard in favor of a focus on "fairness" for small businesses.
- The vagueness of what the FTC deems as "unfair" leaves business vulnerable to costly investigations, and it is unclear whether the courts will accept this expanded authority.

[Read the analysis](#)