FTC discloses data supporting claim that Facebook has monopoly power over social networking

Article









The news: The Federal Trade Commission (FTC) made public data supporting its case that Facebook has monopoly power as the dominant social media company in the market, <u>per</u> Bloomberg.

- The FTC revealed that from September 2012 to December 2020, Facebook's share of time spent by US users on social media apps averaged 92% per month.
- The same report stated that the combined shares of other apps—including Snapchat, Google+, MeWe, and Friendster—didn't exceed 18% in any month during that period.
- The data, which comes from Comscore, serves as the foundation for the FTC's monopoly lawsuit against Facebook accusing the social network of abusing its dominance. The case was initially dismissed in June and the FTC filed a <u>revised complaint</u> in August.

More on this: Despite earlier setbacks, the FTC remains adamant in its efforts to end Facebook's dominance and make it sell off **Instagram** and **WhatsApp**.

- U.S. District Judge James Boasberg wrote in his earlier dismissal that data on daily and monthly average users might "significantly overstate or understate any one firm's market share, depending on the various proportions of users who have accounts on multiple services."
- The FTC did not include Chinese-owned video streaming service **TikTok** in the report, and Facebook assessed internally that TikTok is not competing in its core area of focus.

The problem: Even as the FTC redoubles its effort to push ahead with its lawsuit against Facebook, it will continue to struggle to establish its case. Judge Boasberg wrote in his earlier dismissal that the total time spent on a platform may be a metric of "limited utility."

- The judge's conclusion underscores the challenge of defining the parameters of the social networking market, as well as which companies to include within it, and which metrics to consider.
- Most social media companies report overall user numbers—but there's no way to determine how many people use multiple services.

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Facebook Users US, 2012-2020





