

Will the FTC's new advertising data rule survive under Trump?

Article



The news: The **FTC** finalized rules restricting websites and apps from selling data collected from users under 13. It marks a final act from the regulator which scrutinized advertising and personal data during the last year of the Biden administration.

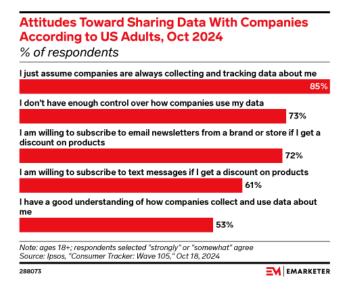


 <u>Under the rule</u>, data collectors must get parental consent both to gather and to sell data from users under 13, limiting the ability of large platforms and data brokers to target young users and monetize their information.

What happens next? Lina Khan, the FTC chair appointed by Joe Biden, will be replaced by new President Donald Trump's nominee Andrew Ferguson. Though Ferguson has <u>a record of</u> <u>criticizing advertising data practices</u>, he released a statement assailing the rule.

- Ferguson's statement raises the possibility that the rule may be overturned. The advertising sector <u>clashed regularly with Khan's FTC</u> and <u>swung back against the agency</u> for a scathing report that said the industry's self-regulation had been a failure.
- With the ability to monetize data coming under heavier scrutiny abroad, the ad industry is likely to lobby aggressively to block further restrictions. The Trump administration is expected to be friendlier to big business than its predecessor, and the FTC may decide not to implement tighter limits.
- The campaigning for looser restrictions has already begun: Social media CEOs like Mark Zuckerberg, Elon Musk, and Shou Zi Chew have aligned with the Trump administration in hopes of lighter regulation.

Our take: Ferguson's handling of the new FTC rule will set the stage for how the Trump administration will approach digital advertising and data, which have become controversial subjects in foreign markets. While he may keep some restrictions in place, the administration's expected leniency on regulation means advertisers' fears of broad data curbs may be eased.



To help you start 2025 off on the right foot, articles like this one—delivering the latest news and insights—are completely free through January 31, 2025. If you want to learn how to get insights like these delivered to your inbox every day, and get access to our data-driven forecasts, reports, and industry benchmarks, <u>schedule a demo with our sales team</u>.

