

Meta banks on rival's secrets as its antitrust defense

Article

The news: Meta is preparing its defense in a US government lawsuit by requesting documents from 132 companies, including its biggest competitors in messaging and social apps and services, [per](#) Bloomberg.

How we got here: The US Federal Trade Commission (FTC) [launched](#) a lawsuit against Meta, then named Facebook, in 2020. The case was [thrown out](#) in June 2021 and refiled in August

2021. The agency is looking to redouble its efforts to expose potential Meta monopoly abuses.

What Meta wants, Meta might not get: Meta says it needs vital information from rivals to defend its case. The company has so far subpoenaed 132 companies for documents, including **Snap, TikTok, and Clubhouse**, and has said that it may seek information from 100 more.

- Competitors are up in arms and resisting Meta's request for information, which they say isn't just privileged but highly confidential.
- "Meta's requests seek massive amounts of competitively sensitive information," said **Kellie Lerner**, an antitrust litigator at the law firm **Robins Kaplan LLP**, which isn't involved in the suit.
- "You have a company accused of anticompetitive conduct who is now seeking very competitively sensitive information in discovery," Lerner said.

The problem: Meta, the market leader in messaging and social apps, **is looking to involve competitors in its fight against regulators.**

- The company said in court filings that it needs the information from rivals to counter the FTC's argument that it is a monopoly and doesn't face competition.
- Meta is requisitioning competitors' business playbooks, including **how they acquire new users, scale up products and services, and monetize features.**
- It's requesting data on rivals' marketing and sales strategies, quality metrics, contact information for their biggest advertisers, and how they attract users to shift from competing services.
- **Snap said Meta's requests are "overbroad and abusive,"** adding that Meta was requesting "materials on every product and nearly every aspect of Snap's business, with a time range that spans almost Snap's entire existence," lawyers for Snap said.

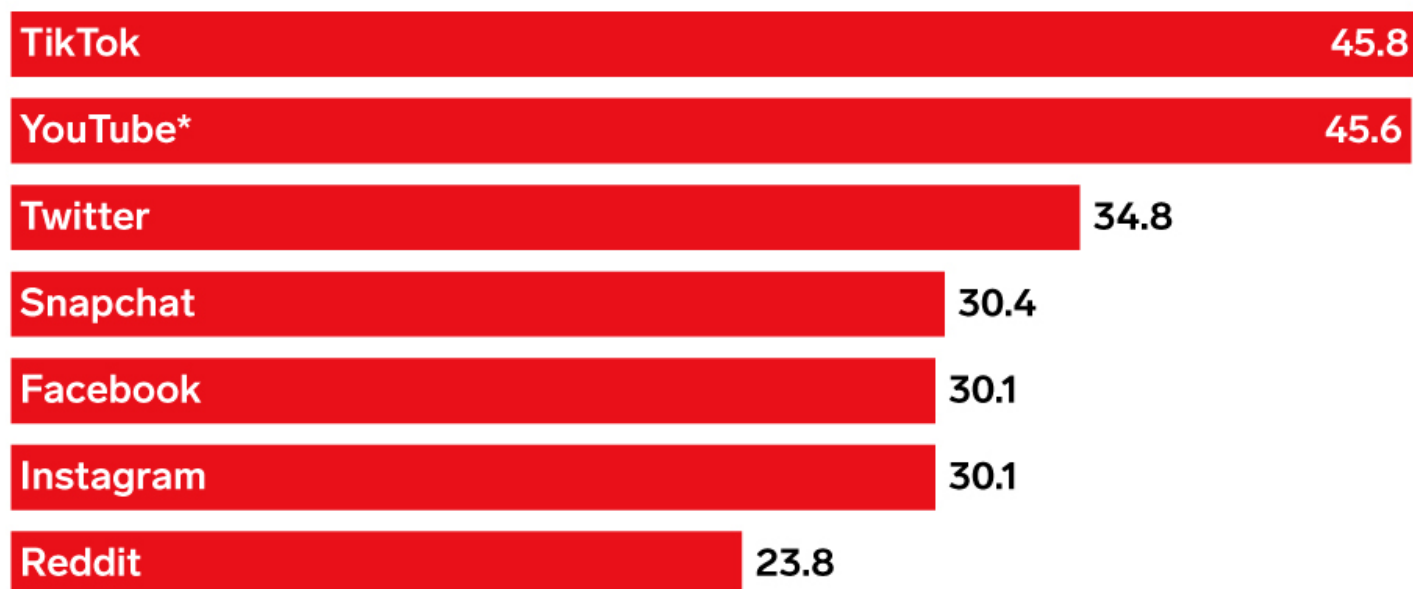
Why this could backfire: It's unlikely that Meta will get its competitors to comply with its requests, and if it persists, Meta could be facing future lawsuits from industry rivals.

- TikTok complained that Meta has sought its "most confidential and highly sensitive business information." **Pinterest** and **LinkedIn** also raised concerns about the "highly invasive" requests.

- The competitors recalled Facebook’s 2013 acquisition of **Onavo**, a startup that tracked how often users open other apps on their phones, giving it an unfair advantage.
- While a trial isn’t likely until 2024, Meta seems to be grasping at straws by relying on information from rivals to strengthen its position.

Average Time Spent per Day by US Adult Users on Select Social Media Platforms, 2022

minutes



*Note: ages 18+; time spent with each medium includes all time spent with that medium, regardless of multitasking; for example, 1 hour of multitasking on desktop/laptop while watching TV is counted as 1 hour for TV and 1 hour for desktop/laptop; *YouTube includes all time spent watching video on YouTube via any device; includes YouTube TV*
Source: eMarketer, April 2022

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