

New US antitrust task force could unwind tech mergers

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A US regulator Tuesday announced the launch of an antitrust task force to focus on competition in the tech sector and consider challenging mergers and tie-ups retroactively.

The Federal Trade Commission announcement comes amid increasing concerns in the US and elsewhere about dominant <u>tech</u> platforms such as Google, Facebook and Amazon.

The FTC declined to name any specific companies or deals it would look at, but said it would consider reviews of tie-ups that have already been completed, with an eye toward seeking an unwinding or divestment.

The agency will consider "the full panoply of remedies" which could include breakups or spinoffs to address "competitive harm," said Bruce Hoffman, head of the FTC's competition bureau, in a conference call with reporters.

Hoffman declined to say whether the commission would seek a review of Facebook's acquisition of rival social network Instagram.

The team will include 17 staff attorneys and will pay special attention to online advertising, social networking, mobile operating systems and apps and platform businesses, according to an FTC statement.

"Technology markets, which are rapidly evolving and touch so many other sectors of the economy, raise distinct challenges for antitrust



enforcement," Hoffman said in the statement.

"By centralizing our expertise and attention, the new task force will be able to focus on these markets exclusively—ensuring they are operating pursuant to the antitrust laws, and taking action where they are not."

The FTC move suggests a different tack for the agency, which in 2013 shut down an investigation of Google's dominance in online search and advertising as European enforcers stepped up their probe of the tech giant.

FTC chairman Joe Simons said he called for task force after a series of hearings on antitrust enforcement.

"As I've noted in the past, it makes sense for us to closely examine technology markets to ensure consumers benefit from free and fair competition," Simons said in the statement.

"The technology task force is the next step in that effort."

Tim Wu, a Columbia University law professor and author of "The Curse of Bigness," a book critical of tech giants, welcomed the FTC action.

"I'm hoping the new @FTC tech platform task force finds the courage to re-consider some of the anti-competitive tech mergers of the last 10 years; tech is in need of a genuine shakeup," Wu tweeted.

Rob Atkinson, president of the Information Technology and Innovation Foundation think tank, said he hoped the FTC would favor "careful, objective analysis" over "populist furor."

Concentration of <u>technology</u> markets among a few big players was good for innovation and for the consumer, he said.



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