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**May 31, 2022**

**FTC Fines Twitter \$150 Million Over Deceptive Account Data Use**

On May 25, 2022, the U.S. Federal Trade Commission ("FTC") and Department of Justice ("DoJ") charged social media platform Twitter, Inc. with illegal and deceptive use of Twitter account holders' security data to target them with advertisements. In the complaint, a copy of which can be found [Here](#), the FTC and DoJ charge that Twitter violated a 2011 FTC Consent Order (Exhibit A to the complaint) by requesting account holders to provide their email addresses and phone numbers under the pretext of aiding Twitter to improve the security of their data and then provided (i.e., sold) the personal information to Twitter advertisers to use in targeting the account holders with advertisements.

In an accompanying stipulated decision and order settling the complaint, the FTC and DoJ ordered Twitter to pay a penalty of \$150 million; desist from the practice going forward; allow account holders to use multi-factor authentication and other Twitter security features without providing their email addresses and phone numbers; establish

and maintain a comprehensive privacy and security program to include any new products and features; and submit to and cooperate with trusted third party monitoring and reporting obligations. A copy of the decision and order can be found [Here](#).

We have reported extensively on the FTC's change of course on the antitrust (competition) side of the house under Biden FTC Chairperson appointee Lina M. Khan to a much more activist merger control review posture, especially for tech sector Merger & Acquisition activity, than in recent decades (see [Kurtin PLLC Whitepapers and Advisories](#)). The new action indicates that the FTC under Khan intends to pursue perceived tech sector commercial abuses on the consumer protection side of the house just as vigorously. The new compliance obligations may significantly impact Twitter's ability to monetize its free subscriber base; it will be interesting to see if they affect Tesla and SpaceX CEO Elon Musk's pending and in-flux tender offer to take over the social media platform. Needless to say, the FTC and DoJ may seek to address similar issues in other social media platforms like Meta/Facebook/Instagram and Alphabet/Google.

For additional information, please contact us at [info@kurtinlaw.com](mailto:info@kurtinlaw.com).

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