



Chair Lina Khan  
Commissioner Alvaro Bedoya  
Commissioner Rebecca Slaughter  
Federal Trade Commission  
600 Pennsylvania Ave., N.W.  
Washington, D.C. 20580

March 1, 2024

Re: European complaint against Meta's practice of targeted advertising and request for investigation by the FTC

Dear Chair Khan, Commissioner Bedoya, Commissioner Slaughter,

We are writing to you in the light of a recent complaint to European enforcement authorities regarding Meta's illegal and massive data collection<sup>1</sup>, practiced behind its "pay or consent" smokescreen that it has been applying in the European jurisdiction since November 2023.

The complaint has been launched by EU consumer groups, part of the BEUC and TACD networks. This builds on a previous complaint filed to consumer protection authorities addressing unfair and deceptive data collection practices. Grounds for the current complaint include:

- Meta's massive and intrusive data processing practice is incompatible with the EU's GDPR and breaches its principles, including fair processing, data minimisation, purpose limitation and transparency
- Meta's data processing and targeted profiling is fundamentally unfair because the company uses its dominant position in the social network market to force a false consent, leaving consumers with no real choice or alternative to allowing unnecessary data collection and use.

We urge the Commission to take a hard look at the practice of targeted advertising – an extensive data collection and sales practice that we argue is unfair to U.S. consumers as well. The enormous violations of privacy in compiling massive amounts of data on individuals solely for the purposes of advertising serve as a substantial injury. This data may contain highly sensitive information about individuals, either collected or inferred, and this data is used without the individual's permission and often without their knowledge. Consumers are unable to avoid the targeted advertising ecosystem – indeed, existing online at all or having friends and family online exposes an individual's personal data to information brokers and advertisers. Finally, we have seen no legitimate benefit to consumers or competition in targeted advertising.

The FTC has already taken some steps to address this unfair practice. The FTC recently took action against X-Mode Social<sup>2</sup>, billed as the second largest U.S. location data company, for

---

<sup>1</sup> <https://www.beuc.eu/enforcement/meta-smokescreen>

<sup>2</sup> <https://www.ftc.gov/news-events/news/press-releases/2024/01/ftc-order-prohibits-data-broker-x-mode-social-outlogic-selling-sensitive-location-data>

selling raw location data of consumers without their informed consent and without limits on how that information could be used by customers. Data brokers like X-Mode are key players in the targeted advertisement industry. The FTC's actions against GoodRx<sup>3</sup> for deceptive practices in disclosing personal and health information to third parties for advertising and Twitter for deceptively using account security data<sup>4</sup> to sell targeted advertisements also directly address practices in the targeted advertisement ecosystem.

We urge the FTC to build on these previous actions and actions taken by enforcement bodies in other jurisdictions worldwide to initiate a broad probe into the targeted advertising ecosystem as a whole, considering whether the practice of targeted advertising is itself incompatible with protecting consumer rights. The EU's work on targeted advertising, enforcement against privacy-violating practices, and recent actions<sup>5</sup> pushing back specifically on Meta's new "pay or we track" system signal that, as TACD has recommended<sup>6</sup>, the time is ripe to ban surveillance-based advertising fully.

Sincerely,

**Finn Lützw Holm-Myrstad**

Director of Digital Policy, NCC  
EU Co-Chair TACD digital committee

**Calli Schroeder**

Global Privacy Counsel, EPIC  
U.S. Co-Chair TACD Digital Committee

**Anna Fielder**

Senior Policy Advisor  
TACD

**c/c:** Samuel Levine, Director, Bureau of Consumer Protection; Maria Coppola, Director, Office of International Affairs; Lauren Kapin, Assistant Director, International Consumer Protection.

---

<sup>3</sup> <https://www.ftc.gov/news-events/news/press-releases/2023/02/ftc-enforcement-action-bar-goodrx-sharing-consumers-sensitive-health-info-advertising>

<sup>4</sup> <https://www.ftc.gov/news-events/news/press-releases/2022/05/ftc-charges-twitter-deceptively-using-account-security-data-sell-targeted-ads>

<sup>5</sup> <https://www.beuc.eu/choose-to-lose-with-meta>

<sup>6</sup> <https://tacd.org/consumer-and-digital-groups-in-europe-and-the-u-s-call-for-a-full-ban-on-surveillance-based-advertising/>