Beshear Joins Bipartisan Facebook Antitrust Investigation

Company may have endangered consumer data, reduced their choices and increased advertising prices

FRANKFORT, KY. (Oct. 22, 2019) – Attorney General Andy Beshear today announced that Kentucky has joined a bipartisan coalition of 47 attorneys general investigating social media titan Facebook for potential antitrust violations.

Beshear said the multistate team will use every available investigative resource to determine whether Facebook put consumer data at risk, reduced the quality of consumers’ choices or increased the price of advertising.

“Facebook is a part of most Kentuckians’ everyday social life and provides many local organizations and businesses a way to reach their supporters and customers,” Beshear said. “But, as the company continues to grow more powerful, it is my duty to make sure that growth did not and does not come at the expense of honest competition or Kentucky users.”

On Sept. 6, an investigation was launched by a bipartisan group of nine attorneys general focused on Facebook’s dominance in the industry and potential anticompetitive conduct stemming from that dominance.

Tuesday’s announcement is the second major tech company antitrust investigation Beshear has announced this year.

In September, Beshear announced that Kentucky joined 49 other states in an investigation of Google’s business practices to determine whether they meet the standards established under state and federal antitrust laws.

The coalition said they would look at Google’s overarching control of online advertising markets and search traffic that may have led to anticompetitive behavior that harms consumers.

Legal experts from each state will also work in cooperation with federal authorities to assess competitive conditions for online services and ensure that Americans have access to free digital markets.

As attorney general, Beshear has taken action to protect Kentucky families from dishonest businesses and harmful business practices. His actions have resulted in companies correcting their behavior and in millions of dollars in restitution for the state and for harmed Kentuckians.
In October, Beshear secured a judgement against a Hardin County wedding venue owner ordering her to pay more than $27,000 in restitution to nine couples who had their weddings abruptly canceled or paid for professional services they did not receive.

In September, Beshear sent checks totaling more than $200,000 to nearly 600 customers who had their taxes miscalculated when they purchased a vehicle from Auto Plaza USA. An additional 700 customers had delinquent tax bills totaling more than $200,000 released by the Kentucky Department of Revenue. These refunds and releases were the result of an August consent judgment Beshear secured.

In July, Beshear announced that a coalition of 50 attorneys general reached a settlement with Equifax as the result of an investigation into a massive 2017 data breach that exposed the data of 56% of American adults. The settlement includes a Consumer Restitution Fund of up to $425 million and a $175 million payment to the states, as well as injunctive relief.

This summer, Beshear also announced the settlement of a 12-year-old lawsuit against Marathon Petroleum Company and Speedway LLC over alleged gasoline price gouging for $22,500,000.

To date, settlements and civil litigation from Beshear’s consumer protection efforts have resulted in over $29 million to the Commonwealth’s general fund. These actions have yielded restitution that could exceed more than $97 million, representing amounts paid to consumers or amounts Kentuckians are eligible to receive, and the value of credits, student loan debt relief and warranty extensions.

Kentuckians who need to file a business or consumer complaint should visit ag.ky.gov.