

Search

Translate Website | Traducir Sitio Web

Attorney General Bonta Appeals Ruling in Facebook Antitrust Lawsuit

Press Release / Attorney General Bonta Appeals Ruling in Facebook Antitrust ...

Friday, January 14, 2022

Contact: (916) 210-6000, agpressoffice@doj.ca.gov

OAKLAND – California Attorney General Rob Bonta today joined a bipartisan multistate coalition in appealing the dismissal of a lawsuit challenging Facebook's illegal, anticompetitive behavior. In December 2020, California joined 47 state attorneys general in arguing that Facebook's acquisition of Instagram and WhatsApp was part of a broad buy-or-bury strategy designed to thwart competition at the expense of both users and advertisers. In their complaint, the coalition alleged that Facebook's monopolistic behavior violated federal antitrust laws, resulting in less user choice, reduced product quality, and degraded privacy protections. "Facebook is a monopolist. The company has made no secret of its efforts to purchase growing startups in order to squash competition, suppress innovation, and protect its monopoly power," **said Attorney General Bonta.** "We went to court to stop this anticompetitive conduct, and we're not backing down in this fight. California consumers deserve a social media marketplace that competes for their attention – and they can't have that so long as Facebook keeps buying up the competition. As the People's Attorney, I'm committed to tackling abuses by those in power and restoring competition in the marketplace."

For almost a decade, Facebook, recently rebranded as Meta, has had monopoly power in the market for personal social networking services in the United States. Instead of seeking to outperform or out-innovate its competitors, Facebook's strategy has been to buy or bury companies that posed a viable competitive threat, most notably through its acquisition of Instagram in 2012 and WhatsApp in 2014. In a lawsuit filed last year, the attorneys general alleged that Facebook illegally eliminated, suppressed, and deterred the emergence and growth of rival social media networks in violation of the Sherman Antitrust Act. On June 28, 2021, the U.S. District Court for the District of Columbia granted Facebook's motion to dismiss the lawsuit.

In today's filing, the states argue that the District Court erroneously dismissed the lawsuit and that its decision should be overturned. Specifically, the states argue that:

- The District Court erred in finding that the states were unreasonably delayed in filing a complaint because states are sovereign entities suing to protect the public interest and, even if the court's findings were correct, the court was wrong to presume that Facebook would suffer prejudice; and
- The District Court erred in dismissing the states' claims relating to Facebook's conduct with respect to competitors by, among other things, ignoring evidence showing continued anticompetitive conduct by Facebook, limiting the states' ability

to address Facebook's anticompetitive behavior, and misapplying antitrust precedents.

Attorney General Bonta joins the attorneys general of New York, Colorado, Florida, Iowa, Nebraska, North Carolina, Ohio, Tennessee, the District of Columbia, Alaska, Arizona, Arkansas, Connecticut, Delaware, Hawaii, Idaho, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nevada, New Hampshire, New Jersey, New Mexico, North Dakota, Oklahoma, Oregon, Pennsylvania, Rhode Island, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming, and the territory of Guam in filing the appeal.

A copy of the brief can be found here.

###

Office of the Attorney General Accessibility Privacy Policy Conditions of Use Disclaimer