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Hawaii Attorney General Joins Multistate Lawsuit Seeking to End Facebook's Illegal Monopoly

HONOLULU – Hawaii Attorney General Clare E. Connors today joined a bipartisan coalition of 48 attorneys general in filing a lawsuit against Facebook Inc., alleging that the company has and continues to illegally stifle competition to protect its monopoly power. The lawsuit alleges that over the last decade, the social networking giant illegally acquired competitors in a predatory manner and cut services to smaller threats, depriving users from the benefits of competition and reducing privacy protections and services along the way — all in an effort to boost its bottom line through increased advertising revenue.

“Facebook’s tactics are anti-competitive and illegal,” said Attorney General Connors. “We filed this lawsuit to address the harm to our consumers and advertisers caused by the defendant's efforts to eliminate competition.”

Since 2004, Facebook has operated as a personal social networking service that facilitates sharing content online without charging users a monetary fee in exchange for a user’s time, attention, and personal data. Facebook then monetizes its data and services by offering advertisers unparalleled access to a large, engaged and targeted advertising audience derived from the vast quantity of user data amassed by the company.

Facebook has grown to become a monopoly in the social networking market and realizes billions of dollars from advertising by impeding and preventing the emergence of competing platforms and services. Facebook acquired rivals before they could threaten Facebook’s dominance and impaired if not cut off the critical software access of third-party developers that Facebook originally invited to utilize its platform. As it evolved, Facebook also imposed reductions in the quality and variety of privacy options available to users while continuing to gather more data from users.

Facebook is specifically charged with violating Section 2 of the Sherman Act, in addition to violating Section 7 of the Clayton Act relating to its acquisition of Instagram and WhatsApp.

The coalition asks the court to halt Facebook's illegal, anticompetitive conduct and block the company from continuing this behavior in the future. Additionally, the coalition asks the court to restrain Facebook from making further acquisitions valued at or in excess of \$10 million without advance notice to the state of New York and other plaintiff states. Finally, the court is asked to provide any additional relief it determines is appropriate, including the divestiture or restructuring of illegally acquired companies, or current Facebook assets or business lines.

The complaint was filed in the U.S. District Court for the District of Columbia.

Separately, but in coordination with the multistate coalition, the Federal Trade Commission (FTC) also today filed a complaint against Facebook in the U.S. District Court for the District of Columbia.

The lawsuit is headed by New York Attorney General Letitia James and an executive committee made up of the attorneys general of California, Colorado, Florida, Iowa, Nebraska, North Carolina, Ohio, Tennessee, and the District of Columbia. The executive committee is joined by the attorneys general of Alaska, Arizona, Arkansas, Connecticut, Delaware, 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.

A redacted copy of the complaint is available [here](#).

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