Office of Commissioner
Andrew N. Ferguson

UNITED STATES OF AMERICA
Federal Trade Commission
WASHINGTON, D.C. 20580

**Concurring and Dissenting Statement of Commissioner Andrew N. Ferguson
Joined by Commissioner Melissa Holyoak
Regarding the FTC Staff Report on AI Partnerships & Investments 6(b) Study
Matter Number P246201**

January 17, 2025

Today, the Commission votes to release a staff report about the partnerships between three Big Tech giants (Amazon, Google, and Microsoft) and two artificial intelligence ("AI") developers (Anthropic and OpenAI).[1] AI technology shows remarkable promise.[2] It could be a driving force for innovation, economic growth, and increased productivity for American workers in the coming years. AI may also be the most significant challenge to Big Tech firms' dominance since they achieved that dominance. These two possibilities require the Commission to strike a careful and prudent balance. On the one hand, the Commission must not charge headlong to regulate AI. Such regulation could strangle this nascent technology in its cradle, or move the development of the technology to foreign states hostile to our national interests.[3] On the other hand, the Commission must remain a vigilant competition watchman, ensuring that Big Tech incumbents do not control AI innovators in order to blunt any potential competitive threats.

I vote to approve the publication of this staff report because it sheds light on three Big Tech-AI partnerships: Amazon-Anthropic, Google-Anthropic, and Microsoft-OpenAI. Given AI's importance to the American economy and our shared national concern about the power of Big Tech, Congress, state officials, and the public deserve to understand how these partnerships work. While some of what the staff report reveals was already public, it adds valuable insights gleaned from company documents produced in response to the Commission's Section 6(b) orders.[4] The staff report's description of the "AI technology stack" may also serve as a useful resource for those seeking to understand this complex, rapidly evolving industry.

I dissent, however, from the inclusion of Section 5 of the staff report, in which staff speculates about "Areas to Watch Regarding Potential Implications of the AI Partnerships." This

[1] FTC Staff Report on AI Partnerships & Investments 6(b) Study (January 2025) ("AI Partnerships Staff Report").
[2] See Concurring and Dissenting Statement of Comm'r Andrew N. Ferguson, Social Media and Video Streaming Services Report, Matter No. P205402, at 10–11 (Sept. 19, 2024).
[3] Concurring and Dissenting Statement of Comm'r Andrew N. Ferguson, Social Media and Video Streaming Services Report, Matter No. P205402, at 11 (Sept. 19, 2024) ("A knee-jerk regulatory response will only squelch innovation, further entrench Big Tech incumbents, and ensure that AI innovators move to jurisdictions friendlier to them—but perhaps hostile to the United States."); Dissenting Statement of Comm'r Andrew N. Ferguson, Joined by Comm'r Melissa Holyoak, *In re Rytr, LLC*, Matter No. 2323052, at 9 (Sept. 25, 2024) ("As our country has always done, we should give [the AI] industry the space to realize its full potential—whatever that turns out to be. America is the greatest commercial power in the history of the world in no small part because of its tolerant attitude toward innovation and new industry.").
[4] FTC AI Investments 6(b) Order and Resolution (Jan. 25, 2024), https://www.ftc.gov/system/files/ftc_gov/pdf/P246201_AI_Investments_6%28b%29_Order_and_Resolution.pdf.

Section 6(b) study was quick—concluding within a year[5]—and notably narrow in scope, covering only three partnerships between five companies. Such an approach may have been appropriate: rapid developments within the AI industry required speed to ensure the staff report's relevance. But the limited, brief nature of the study should foreclose the drawing of broad conclusions about the AI industry and its future, or even about the partnerships themselves. The staff report acknowledges as much, deploying hedging language throughout Section 5 and making clear that "an analysis of the impact that these partnerships might have on competition is beyond the scope of this report."[6] The Commission therefore should not have published speculation about what the future may hold. Readers should skip Section 5 of the Report, or read it with tremendous skepticism.

[5] Press Release, FTC, FTC Launches Inquiry into Generative AI Investments and Partnerships (Jan. 25, 2024), https://www.ftc.gov/news-events/news/press-releases/2024/01/ftc-launches-inquiry-generative-ai-investments-partnerships.

[6] AI Partnerships Staff Report at 29; see also *id.* at 1 ("A comprehensive analysis of the subject partnerships is beyond the scope of the report.").