

FTC Social Media Staff Report Suggests Enforcement Direction and Expectations

Article By:

Liisa M. Thomas

Kathryn Smith

The FTC's [staff report](#) summarizes how it views the operations of social media and video streaming companies. Of particular interest is the insight it gives into potential enforcement focus in the coming months, and into 2025. Of particular concern for the FTC in the report, issued last month, were the following:

1. The high volume of information collected from users, including in ways they may not expect;
2. Companies relying on advertising revenue that was based on use of that information;
3. Use of AI over which the FTC felt users did not have control; and
4. A gap in protection of teens (who are not subject to COPPA).

As part of its report, the FTC recommended changes in how social media companies collect and use personal information. Those recommendations stretched over five pages of the report and fell into four categories. Namely:

1. Minimizing what information is collected to that which is needed to provide the company's services. This recommendation also folded in concepts of data deletion and limits on information sharing.
2. Putting guardrails around targeted digital advertising. Especially, the FTC indicated, if the targeting is based on use of sensitive personal information.
3. Providing users with information about how automated decisions are being made. This would include not just transparency, the FTC indicated, but also having "more stringent testing and monitoring standards."
4. Using COPPA as a baseline in interactions with not only children under 13, but also as a model for interacting with teens.

The FTC also signaled in the report its support of federal privacy legislation that would (a) limit "surveillance" of users and (b) give consumers the type of rights that we are seeing passed at a state level.

Putting it into Practice: While this report was directed at social media companies, the FTC

recommendations can be helpful for all entities. They signal the types of safeguards and restrictions that the agency is beginning to expect when companies are using large amounts of personal data, especially that of children and/or within automated decision-making tools like AI.

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