

Microsoft accuses FTC of leaking news of its antitrust investigation

Microsoft is asking the inspector general at the Federal Trade Commission to investigate whether agency management improperly leaked news of its antitrust investigation into the company, and make their findings public.

Bloomberg first reported that the probe was underway last week, which *The Verge* later confirmed. The investigation covers Microsoft's cloud and software licensing businesses, AI, and cybersecurity offerings.

Now, Microsoft's corporate vice president and deputy general counsel Rima Alaily is accusing FTC management of leaking details of the probe, in violation of the agency's own ethics guidelines. The agency instructs new employees that "the existence of an FTC investigation is nonpublic information," though it may be disclosed after the Office of Public Affairs determines the target of a probe already made it public in a press release or government filing. Still, the guidelines add that the Commission has authority to make "appropriate disclosures" when "it determines that doing so would be in the public interest."

Alaily writes that the information and sourcing in the *Bloomberg* story "strongly suggests" the details came from "within the FTC." She says that the story "appears to be consistent with an unfortunate trend over the last two years of the FTC strategically leaking nonpublic information," citing a September report from the FTC IG that found a "steadily increasing" volume of "unauthorized disclosures" of

nonpublic information to the press. The FTC declined to comment on the Microsoft letter.

Microsoft claims it learned about the FTC's information demand "like the rest of the world, through the Bloomberg story." Even when it inquired with FTC staff about the validity of the story, Alaily says, they wouldn't confirm the information demand existed, and she adds that Microsoft still hasn't seen the information demand reported by the press.

The letter is the latest example of a more aggressive approach Microsoft has taken in recent months when it comes to antitrust scrutiny of its business. In October, Alaily accused Google in a blog post of launching an astroturf group "to discredit Microsoft with competition authorities, and policymakers and mislead the public."

Microsoft has mostly flown under the radar in past years as a target of antitrust lawsuits while its Big Tech peers were hit with complaints from US regulators. But it's increasingly faced scrutiny in both the US and in Europe amid major cybersecurity issues, its acquisition of game studio Activision Blizzard, and its partnership with OpenAI. Still, the fate of any existing investigation will ultimately depend on how officials in the incoming Trump administration view the matter.

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