

Texas judge who owns Tesla stock recuses himself from X's advertiser lawsuit

A Texas judge who was assigned two cases involving Elon Musk's X platform has recused himself from one of them, shortly after a report that he owns stock in Tesla.

The report raised questions about O'Connor's impartiality and X's motivations in bringing the suits in this particular court. NPR reported that the federal court in northern Texas, unlike many other courts where judges are randomly assigned, doles out cases to judges based on which division they're filed in. That gives plaintiffs an unusual level of certainty in who will likely hear their case. X and the suits' defendants are not based in Texas, though Musk said recently he plans to move it to Texas. X did not immediately respond to a request for comment.

Critics have accused X of forum shopping, or looking for a sympathetic judge or district to file its cases. Their argument is underscored by the fact that antitrust experts think X will have a tough time proving advertisers' boycott violated the law. Former DOJ antitrust chief Bill Baer told the BBC that in general, "a politically motivated boycott is not an antitrust violation. It is protected speech under our First Amendment."

Musk's lawsuits have already been able to punish opponents with legal fees. The Global Alliance for Responsible Media (GARM), an advertiser coalition created by the World Federation of Advertisers (WFA), a defendant in X's suit, reportedly disbanded in the wake of the complaint. *Business*

Insider reported that the group felt it needed to use its limited funds to fight the suit.

Update August 13th, 7:50PM ET: *This post was updated to include O'Connor's disclosure of an investment in Unilever.*

<https://www.theverge.com/2024/8/13/24219740/texas-judge-reed-oconnor-tesla-stock-x-antitrust-lawsuit>