

June 29, 2023

Andrew Katsaros, Inspector General
Federal Trade Commission
Office of Inspector General
Room CC-5206
600 Pennsylvania Ave., NW
Washington, DC 20580

CC: Lorie Pankey

Dear Inspector General Katsaros:

A recent article from [Bloomberg](#) reported that the FTC's designated agency ethics official, Lorie Pankey, recommended FTC chair Lina Khan recuse herself from the FTC's review of Meta's proposed merger with Within Unlimited.

As Pankey explains in her [August 31 memo](#), the district court which heard Meta's petition for Chair Khan's recusal ultimately "held that none of the statements Facebook attributed to the Chair required her to recuse from her service as prosecutor on due process of federal ethics grounds."

However, Pankey still recommended Chair Khan recuse herself, stating that while Chair Khan's participation "is not a *per se* federal ethics violation," Pankey believed that "there is a reasonable appearance concern with her participation in this matter as an adjudicator."

But there is another fact relevant to Pankey's recommendation that was not reported: According to her most recent personal financial disclosure from 2023, Pankey owns between \$15,001 to \$50,000 of Meta stock. According to older disclosures, she has owned these assets since at least 2019.

DAEO Pankey claims in her memo that "maintaining public confidence in the FTC's integrity is my sole focus." Yet, the public can and should rightfully question her impartiality on this matter considering her direct financial stake in Meta. Was Pankey's subjective judgment influenced by the fact that the company in which she owns stock has put significant resources into calling for Chair Khan's recusal?

We call on the Inspector General's office to investigate whether Pankey's involvement in this matter while having a direct financial stake in Meta represents a *per se* violation of relevant ethics laws and regulations and, if so, what sanctions should be applied to the FTC's top ethics official.

Sincerely,

Revolving Door Project