August 21, 2026

The Honorable Andrew N. Ferguson, Chairman
The Honorable Mark R. Meador, Commissioner
Federal Trade Commission
600 Pennsylvania Avenue NW
Washington, DC 20580

Re: AI Industry's "Hoard-and-Destroy" Practice of Bulk Acquiring and Destroying Physical Books, the Latest Conduct to Entrench Firm Dominance

Dear Chairman Ferguson and Commissioner Meador:

The undersigned civil society organizations write to request that the Federal Trade Commission ("FTC" or "Commission") open an investigation into a destructive new data acquisition practice by dominant artificial intelligence (AI) companies: the bulk purchase of physical books, followed by scanning, digitization, and destruction that irreversibly eliminates the print original and leaves the company's internal digital copy as potentially the only surviving version of the source work.

We urge the FTC to view this practice not in isolation but rather as the latest escalation in a documented pattern of anticompetitive conduct designed to create an insurmountable systemic moat around AI incumbents—conduct which the FTC is already watching under your leadership.

To build and entrench their market dominance, leading AI companies have systematically sought to corner the essential inputs of AI development. These tactics include: pursuing "reverse merger" acqui-hires where Big Tech companies hire the founders and core engineering team of nascent rivals to hollow them out without triggering antitrust review, which Chairman Ferguson already signaled as facing FTC scrutiny; forming exclusive and preferential partnerships with dominant cloud providers such as Microsoft, Amazon, and Google to lock in special access to scarce computing power; and contracting with publishers, forums, and media to wall off bodies of AI training data that rival companies cannot access.

Now, AI companies are reportedly moving to aggressively lock up a final essential input: high-quality training data for their AI models consisting of pre-AI, human-written texts. We ask the FTC to use its investigative authorities, including potentially under Section 6(b) of the FTC Act, to determine whether and to what extent this practice forecloses competing AI developers and the public from a scarce, non-reproducible input and whether it constitutes an unfair method of competition under Section 5 of the FTC Act.

I. Background

The public record establishes that at least one leading AI company, Anthropic, acquired millions of print books in bulk, scanned them into digital form, and discarded the physical originals. This process leaves only the digitized text in the company's proprietary database for use in training its large language models behind products such as Claude. These facts are documented in *Bartz v. Anthropic PBC*, which revealed that Anthropic declared its "Project Panama" to be "our effort to destructively scan all the books in the world."

Independent reporting indicates that proxies and intermediaries now function as sourcing partners for AI companies, offering the buyers anonymity and brokering bulk book orders—including rare, out-of-print titles with few surviving copies. Books published before the rise of generative AI (such as Claude, ChatGPT, and Gemini) command a premium because they are free of the AI-sourced text common in today's writings.

What the public record does not establish—and cannot, from the outside—is how often the destroyed physical books are the last or among the last surviving copies of a given work. That is the crux of our request.

II. Competition Concerns Implicated By The "Hoard-And-Destroy" Practice

The competitive theory is straightforward and grounded in classic input foreclosure. The value of human-authored text works for training AI models, particularly those produced before this decade, is based in part on their scarcity. That is, pre-AI human-authored text is a finite resource with an inelastic supply. Some of these books exist only as physical copies that have never been digitized or deposited in any public repository, such as foreign, small-press, older, and out-of-print titles.

To the extent that an AI company acquires and destroys such source materials, then walls off its proprietary training corpora from the world, the company is systematically starving the market. Unlike a standard data acquisition strategy, this hoard-and-destroy practice could serve as yet another structural mechanism to raise rival companies' costs and deny start-ups and fledgling competitors a key source material essential to competing in the AI marketplace.

If AI firms are sweeping up—or even worse, targeting—rare or limited print primary sources, this could represent input foreclosure. And as now-Chairman Ferguson noted, "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." We request that the FTC apply these aims regarding Big Tech incumbents to an investigation into a specific and irreversible input-elimination practice that is reportedly now operating at vast commercial scales.

III. Distinctions From Copyright Litigation and Counters to Other Objections

While the companies engaged in this conduct might claim it has been found to be lawful, it has not done so in any sense that is relevant to our request. The district court in *Bartz* ruled that "[o]n balance, as the purchased print copy was destroyed and its digital replacement not redistributed, this was a fair use" and therefore allowed under copyright law. As the court reasoned, destroying the original physical book executes a 1:1 format shift to a digital version that avoids the creation of additional copies. However, that lower court *Bartz* ruling did not address, and does not immunize, Anthropic's conduct toward its competitors or toward the public; the question of antitrust law was simply not before the court.

Consistent with the principle that the Supreme Court applied in *FTC v. Actavis, Inc.*, 570 U.S. 136 (2013), intellectual property rights do not necessarily confer immunity from antitrust scrutiny. (Also see *FTC v. Real Prods. Corp.*, 90 F.2d 617, 619 (2d Cir. 1937) ("A copyright is not a license to engage in unfair competition.") The antitrust theory we raise within that context is a conventional one: when a dominant firm forecloses rivals from a scarce input that in certain instances may be non-reproducible, such as when reprintings have become impractical or impossible—raising competitors' costs and denying entrants an essential resource—it engages in exclusionary conduct. A fair-use determination is a defense to copyright infringement, not a license to foreclose competition.

IV. Why the FTC Should Investigate and Why Now

To be clear, our letter does not ask the FTC to regulate AI or to restrict how AI models are built or trained. We are asking you to investigate the practice of AI companies destroying existing works, with the investigative tools that the agency already possesses. Additionally, several features of this practice make it an unusually strong candidate for FTC investigation rather than a "wait-and-see" approach of continued observation.

First, the conduct is opaque by design. By using proxies or intermediaries that anonymously acquire these books that they later destroy, dominant firms are effectively obscuring their consolidation tactics from regulatory scrutiny. That informational asymmetry is precisely why the FTC must investigate, including potentially through a study under Section 6(b).

Second, the harm is irreversible. A foreclosed contract can be unwound, but a destroyed book cannot be reconstituted. Every month that the extent of this practice remains unknown is a month in which additional works may be permanently eliminated.

Furthermore, although the FTC's authority here rests on competition, the stakes are broader. Unlike a public library or a bookstore, which provides access to all, or a physical book, which resists retroactive editing and tampering, a proprietary digital training database is subject to corporate censorship, algorithmic manipulation, and silent deletion. When a small number of dominant tech companies become the sole custodians of millions of human-authored works in digital form, locked away inside proprietary corporate databases—including works they have caused to exist nowhere else—they convert a shared public resource into a private chokepoint. They make themselves the unaccountable gatekeepers of our shared historical and cultural record, with the ability to censor as they see fit.

That outcome should concern the FTC because the antimonopoly laws exist not only to protect competition but to prevent any private actor from amassing control incompatible with a free and self-governing society. As Commissioner Meador explained last year, "That a corporation cannot compel anything at the point of a gun is cold comfort when it can cut you off from commerce, speech, and even your bank account."

V. Conclusion

For all these reasons, we respectfully request that the FTC:

- Open an investigation into the acquisition and destructive scanning of physical books by AI companies and their sourcing intermediaries, including through the use of the FTC's authority under Section 6(b) of the FTC Act;

- Determine the scale of the practice and the extent to which destroyed copies are the sole or among the last surviving copies of the underlying works; and

- Assess whether and the extent to which the practice forecloses rival firms, researchers, and the public from access to a scarce, non-reproducible competitive input, and whether it constitutes an unfair method of competition under Section 5.

Through their practice of permanently destroying books en masse and thus removing those non-renewable resources from broader access, AI companies are engineering a future where only the wealthiest incumbents can build high-quality AI models and operate as the sole holders of humanity's written works—after having destroyed the originals to get there.

This practice is the latest prong in a broader strategy to systematically convert crucial inputs of competition into private moats—through predatory talent acqui-hires, cloud computing lock-ins, exclusive data and distribution deals that wall off resources to competitors and entrants, and now the demolition of the physical secondary book market. And as Commissioner Meador has favorably quoted, "It is much harder to use antitrust laws to undo entrenched and concentrated power than it is to stop ongoing and future anticompetitive conduct." Here, we ask the FTC to act swiftly before the resulting architecture becomes irreversible.

Sincerely,

Athena Coalition
Bigfoot Books & Brews
Center for Media & Digital Governance at Open Markets Institute
Consumer Federation of America
Consumers for Auto Reliability and Safety
Demand Progress Education Fund
Democratic Messaging Project
Food & Water Watch
For the Many
Free Government Information (FGI)
Histria Books
Institute for Local Self-Reliance
Lake Research Partners
People Power United
PowerSwitch Action
Safer Country
The Media and Democracy Project
The Workers Circle