PATRICK K. RYAN
Congress of the United States
House of Representatives
Washington, DC 20515

December 19, 2025

The Honorable Andrew N. Ferguson
Chair, Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580

Dear Chairman Ferguson:

I am writing to formally request that the Federal Trade Commission initiate an investigation into Collectors Holdings for its aggressive roll-up strategy within the trading card grading industry. By systematically acquiring its primary competitors, Collectors has effectively dismantled market competition. If its purchase of Beckett goes through, Collectors will control over 80% of the industry's volume. This consolidation, paired with deep vertical integration, threatens the objectivity of the multi-billion-dollar collectibles market, suppresses labor mobility for professional graders, and leaves consumers and small businesses with virtually no alternative for essential authentication services.

The collectibles industry has evolved from a niche hobby into a sophisticated asset class, where the financial value of an item is inextricably tied to its "grade" or certified condition. Third-party grading serves as the essential market infrastructure for this industry, providing the objective authentication and preservation that enables liquidity and price discovery. Because a single grade point can represent a difference of tens of thousands of dollars in value, the integrity and independence of the grading process are paramount. Collectors' strategy of consolidation and integration has given it the power to manipulate the value of the underlying assets, dictate terms to thousands of small businesses, and control the standards of an entire financial ecosystem.

Collectors' Trading Card Takeover

In less than five years, Collectors has systematically eliminated its competitors through serial acquisitions. Following the 2021 acquisition of PSA, the company acquired SGC in February 2024 and has now announced the acquisition of Beckett in December 2025. This pattern has resulted in a staggering concentration of power: current data indicates PSA holds a 72% market share (8.89 million cards), SGC holds 8% (962,000 cards), and Beckett holds 3 percent (366,000 cards). Collectively, these brands represent approximately 83% of the total market volume. If the

Beckett deal is allowed to close, CGC Cards will remain the only independent competitor of scale with roughly 17% of the market.

The SGC acquisition serves as a cautionary tale for the pending Beckett transaction. Despite initial assurances of independence, SGC's leadership departed shortly after the merger, resources were diverted to PSA, and SGC's grading volume plummeted by 61% in just two months. Collectors is now offering identical assurances regarding Beckett, following a predictable pattern of acquiring a rival, promising independence, and subsequently dismantling the competitive constraint. The Beckett transaction is particularly suspicious given its recent history. After being acquired by Collēctīvus Holdings in late 2024 with $250 million in private equity backing, it was flipped to Collectors less than a year later. This rapid sequence raises serious questions about whether Collēctīvus functioned as a pass-through entity designed to evade regulatory scrutiny.

Collectors' dominance is compounded by its vertical integration. It controls grading capacity, pricing analytics through CardLadder, and participates in buying and selling graded cards, creating severe conflicts of interest. These risks were highlighted in December 2025, when industry reporting described allegations that PSA purchased PSA 9-graded cards and re-graded them as PSA 10s for resale at a significant financial gain. While PSA characterized the incident as isolated, it illustrates the structural dangers of allowing a dominant grader to identify, acquire, and reintroduce high-value inventory before normal price discovery.

With control over three supposedly independent brands as well as critical trading card inputs, Collectors can now coordinate pricing to suppress competition, influence grade populations to protect market values of internal inventory, and leverage internal data to maximize corporate profit at the expense of consumers. This consolidation threatens the livelihoods of thousands of small businesses, including local card shops, dealers, and auction houses, who no longer have competitive alternatives for essential services. The impact extends to the labor market as well. By controlling nearly all large-scale grading platforms, Collectors effectively dictates the employment terms for professional graders. This dominance suppresses labor mobility and makes it virtually impossible for new, independent competitors to attract the specialized talent required to enter the market, thereby raising insurmountable barriers to entry.

FTC Investigation

Collectors' conduct appears to be a clear violation of Section 7 of the Clayton Act and Section 5 of the FTC Act. The 2023 Merger Guidelines recognize that a firm may violate the antitrust laws through a series of acquisitions that cumulatively harm competition, even if no single transaction independently triggers liability. The FTC's 2022 Policy Statement confirms that serial acquisitions producing these harms constitute unfair methods of competition. The Commission should investigate:

- **Monopolization:** Whether Collectors acquired SGC and Beckett specifically to eliminate competition, and whether internal documents reveal a deliberate strategy of monopolization.
- **Serial Acquisition Pattern:** Whether Collectors' systematic roll-up strategy violates Section 5 of the FTC Act as conduct that inherently produces the cumulative harms the antitrust laws were designed to prevent.
- **Regulatory Evasion:** Whether Collēctīvus Holdings functioned as a pass-through entity to evade merger scrutiny, and the extent of Collectors' involvement in the 2024 acquisition of Beckett.
- **Good-Faith Representations:** Whether the post-acquisition marginalization of SGC was contrary to representations made at the time of the merger, and if those actions warrant a court-ordered divestiture or unwinding of the deal.
- **Erosion of Competition:** How the elimination of independent rivals has directly impacted consumer pricing, service quality, and turnaround times across the industry.
- **Price and Policy Coordination:** What safeguards, if any, prevent Collectors from coordinating pricing, grading standards, and competitive behavior across its three nominally "independent" brands.
- **Barriers to Entry:** What structural barriers now prevent new competitors from entering the market, specifically regarding the control of the limited labor pool of professional graders.
- **Market Manipulation:** How vertical integration — controlling the grading process, the pricing data through CardLadder, and the marketplace itself — creates unique opportunities for market manipulation and unfair self-dealing.

This matter presents a textbook roll-up strategy producing rapid and potentially irreversible competitive harm. The SGC precedent demonstrates that delay enables acquired competitors to be dismantled within months. The announced Beckett acquisition presents a narrow window for effective enforcement. Further delay risks permanently foreclosing meaningful competition in an essential market infrastructure.

I urge the Commission to investigate this conduct and take prompt action to protect competition, consumers, and small businesses.

Sincerely,

Pat Ryan
Member of Congress