

May 19, 2010

The Honorable Stephanie Herseth Sandlin United States House of Representatives Washington, DC 20515

Dear Representative Herseth Sandlin:

I am writing on behalf of the Association of National Advertisers (ANA) to ask you to urge the House Democratic leadership to remove the expanded rulemaking authority for the Federal Trade Commission (FTC) that is included in the House version of the Wall Street Reform Act, H.R.4173. These provisions would make sweeping changes in the regulatory powers of the FTC over almost the entire economy – not simply the financial products and services sector. There are no similar provisions in the Senate version of the financial regulatory reform bill. We believe these issues should be carefully considered as part of FTC reauthorization, not as part of the Wall Street reform legislation.

ANA is the advertising industry's oldest trade association and the only group exclusively dedicated to enhancing the ability and protecting the right of companies to market their products on a national and regional basis. Our members are a cross section of American industry, consisting of manufacturers, retailers and service providers. Representing more than 9,000 separate advertising entities, our member companies market a wide array of products and services to consumers and other businesses. ANA's members spend over \$200 billion annually on advertising and marketing in the U.S. More information is available at <a href="https://www.ana.net.">www.ana.net.</a>

There are several provisions buried in the House version of this legislation that have nothing to do with financial services reform. These provisions would greatly expand the regulatory authority of the Federal Trade Commission (FTC) over almost every segment of our economy.

These changes would repeal the current Magnuson-Moss rulemaking procedures, including the requirement that an activity be "prevalent" in an industry before the FTC can write a rule. They would allow the FTC to write industry-wide rules in a highly-expedited process—in as short as 30 or 60 days with virtually no procedural safeguards. They would give the FTC the power to immediately impose multi-million dollar civil penalties independent of the Justice Department.

Insights. Collaboration. Advocacy. Since the FTC has jurisdiction over most of the economy, these changes could hurt jobs and the sale of products throughout the country.

We support a strong and effective FTC, but the enhanced powers included in the House financial reform bill raise very serious concerns for the entire economy. We do not believe the FTC should be given these enhanced powers and certainly not without full hearings and the opportunity for meaningful input from the business community. These issues should be considered separately and thoroughly but certainly not hastily and as an afterthought in the financial reform legislation.

We ask you to urge the House Democratic leadership to remove these provisions from the financial regulatory reform bill during the conference on this important legislation.

Thank you for your consideration.

Sincerely,

Daniel L. Jaffe

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