



Office of the Secretary

United States of America
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

June 25, 2018

The Honorable Peter Welch
U.S. House of Representatives
Washington, D.C. 20515

Dear Representative Welch:

Thank you for your letter to the Federal Trade Commission calling for vigilant antitrust oversight of standard-setting activities involving the development of mobile payment and payment security technologies. We appreciate receiving your views and hearing your concerns in relation to these developing markets. The financial services industry comprises a significant portion of the United States economy, and the Commission takes seriously the risk that major financial services incumbents might utilize their positions to impose anticompetitive restraints during a standard-setting process.

We also wholeheartedly share your goal of detecting and remedying any practice that may harm competition and consumers in the emerging mobile transaction arena, thereby protecting pathways for efficiency-enhancing innovations that can help foster economic expansion. As you know, the Commission acts in the interest of consumers to prevent deceptive or unfair acts or practices and unfair methods of competition that violate Section 5 of the Federal Trade Commission Act,¹ such as collusion to increase prices or restrict output and exclusionary or predatory practices that harm competition and consumers. Congress also has empowered the Commission to prevent mergers, acquisitions, and certain other practices that may substantially lessen competition or tend to create a monopoly, in violation of the Clayton Act.² I can assure you that the Commission will take appropriate action against any act or practice in the mobile-payments marketplace that violates any of the statutes we enforce. We have also taken the liberty of forwarding your letter to the Antitrust Division of the Department of Justice, so that the Division may also review it.³

¹ 15 U.S.C. § 45.

² 15 U.S.C. §§ 12 *et seq.*

³ As you also know, the Commission and the Department have concurrent jurisdiction over many aspects of antitrust enforcement. In order to avoid duplication and maximize the effectiveness of federal antitrust enforcement, the Commission and the Department's Antitrust Division have developed, and have for many years maintained, a liaison arrangement through which we divide responsibility for antitrust review on the basis of agency authority and expertise.

Thank you again for your thoughts on maintaining competition and protecting consumers in the development of mobile transaction technologies. If you have any questions, please feel free to have your staff call Jeanne Bumpus, the Director of our Office of Congressional Relations, at (202) 326-2195.

Sincerely,

Donald S. Clark
Secretary of the Commission

cc: Adrienne M. Hahn
Counsel for Legislative and
Intergovernmental Affairs
Antitrust Division
U.S. Department of Justice