

**Remarks of Chairman Joseph Simons**  
**Hearings on Competition and Consumer Protection in the 21<sup>st</sup> Century, Session on FTC's**  
**Role in a Changing World**  
**March 25, 2019**

Good morning, and welcome to our two-day exploration of the FTC's Role in a Changing World. This is the 11<sup>th</sup> session in our Hearings on Competition and Consumer Protection in the 21<sup>st</sup> Century. In previous sessions, we considered the effects of globalization on American consumers and the FTC's mission. Today and tomorrow, we will take a deeper look at how globalization and international developments affect the FTC's enforcement priorities and policy.

The FTC's 1995 hearings, led by Chairman Pitofsky, undertook a similar inquiry. Since then, we have seen significant changes to the international landscape. Many jurisdictions have either adopted or substantially updated their competition, consumer protection, and data privacy laws. The number of active enforcement agencies has increased exponentially. And we've seen huge growth in the number of international and regional organizations and networks in which policies are debated, and best practices are shared. Today, markets are more interconnected, and consumers more are global and mobile. Our task at the FTC is to understand and respond to these changes as we work to promote competition and protect American consumers.

Right after I speak today, we have a real treat. Our esteemed former Chairman, Bill Kovacic, will discuss the history of these developments. Bill is one of the world's top experts on this topic, having played a pivotal role in that history himself, and I'm sure you will enjoy hearing from him. But before we get to Bill, let me touch on the two core areas of our international program: enforcement and policy cooperation.

## **I. Enforcement Cooperation**

Our starting point today is international enforcement cooperation. In the quarter century since the Pitofsky hearings, the FTC has been involved in an ever-increasing number of competition and consumer protection matters with an international dimension. We have often cooperated with enforcement agencies outside the United States, which has resulted in better outcomes for competition and consumers. That's why the FTC, under successive Chairs, has focused on developing strong relationships with our counterparts and expanding our cooperation tools.

For example, in 2006, Congress enacted the U.S. SAFE WEB Act. The Act enables effective enforcement cooperation in consumer protection cases by providing the FTC with cross-border enforcement tools in four key areas: information sharing, investigative assistance, cross-border jurisdictional authority, and enforcement relationships.

We have used this authority in a wide range of cases – from Internet pyramid schemes and sweepstakes telemarketing schemes, to complex advertising and privacy investigations. The U.S. SAFE WEB Act has been a remarkable success. Under the Act, the FTC has responded to 130 information-sharing requests from more than 30 foreign enforcement agencies. We have issued more than 115 civil investigative demands in over 50 investigations on behalf of foreign agencies. These efforts have advanced FTC enforcement, and often supported the actions of foreign counterparts in ways that have protected U.S. consumers.

For example, in a matter announced this month, the FTC reached a \$30 million settlement with the operators of a sweepstakes scam that appeared to target seniors. We received significant

assistance from foreign counterparts, including from Canada and the UK, using our SAFE WEB authority to share information. The U.S. SAFE WEB Act is due to sunset again in 2020, and we are urging Congress to reauthorize this important authority – this time, without a sunset provision.

Turning to our competition enforcement cooperation, we are literally cooperating daily with our foreign counterparts on mergers and conduct cases under common review. For example, as part of our recent review of the Praxair/Linde AG merger, FTC staff cooperated with the staff of ten non-U.S. competition agencies to analyze the proposed transaction and potential remedies, to ensure consistent outcomes. And we see continued opportunities for expanded antitrust enforcement cooperation in the 21<sup>st</sup> century, which can further contribute to convergence on substantive standards and procedural fairness norms.

Across our missions, we work closely with foreign counterparts through agency-to-agency networks that facilitate enforcement cooperation and the development of best practices. Two key examples are the International Competition Network (ICN) and the International Consumer Protection and Enforcement Network (ICPEN). The ICN provides its 130-plus competition member agencies a specialized venue for maintaining regular contacts and addressing practical enforcement and policy issues. For example, its Framework for Merger Cooperation serves as the basis for many agencies to engage in enforcement cooperation. Similarly, ICPEN gives its 60 consumer protection agency members a forum for exchanging enforcement-related best practices and engaging in practical cooperation. ICPEN members can access [econsumer.gov](http://econsumer.gov), an eight-language complaint website and information-sharing project sponsored by more than 35 consumer agencies.

Today's sessions will focus on the wide range of tools – statutory authority, best practices, MOUs, and international networks – that we use to accomplish our enforcement cooperation, and explore how to improve them. We will also examine the cross-border enforcement and policy issues raised by emerging technologies, such as artificial intelligence.

## **II. Policy Cooperation**

Tomorrow, we will turn to policy cooperation. As with enforcement cooperation, we have witnessed a significant expansion in the ways that the FTC engages in policy discussions with counterpart agencies. Our cooperation on policy matters has fostered trust-based relations, opened communications between agencies, and served to facilitate effective and predictable enforcement cooperation as well.

In addition to regular bilateral discussions with counterparts, the FTC is proud to play a lead role in multilateral organizations such as the OECD, UNCTAD, and APEC. Through these organizations, and the networks I mentioned earlier, the FTC has participated in developing important international best practices, such as the ICN's Recommended Practices regarding merger notification and review, and the OECD's Council Recommendation on Consumer Protection in E-commerce.

During tomorrow's hearings, we will turn a critical eye toward the FTC's work in these bodies, and discuss the strengths and weaknesses of policy approaches based on soft law. We will also look at the impact of different legal frameworks and cultures on policy and enforcement.

Our panels will look at other effective ways for agencies to cooperate on policy. Through our technical assistance program, for example, the FTC engages with newer counterpart agencies, sharing our experience and expertise. The FTC's International Fellows Program, authorized by the U.S. SAFE WEB Act, complements the agency's technical assistance. Over the past twelve years, the FTC has hosted 83 fellows from 34 jurisdictions around the world.

As part of these hearings, we intend to explore whether there is more the FTC could and should be doing to promote sound consumer protection, privacy, and competition policy internationally. The final panel will focus on the FTC's international engagement in a changing global world, providing an opportunity for input on the most important international enforcement and policy issues that the FTC faces today.

### **Conclusion**

Before I leave, I want to welcome the many agency heads and other representatives from our sister agencies and international organizations who are joining us for these hearings. I hope we will have the chance to speak more this week. I also want to thank our co-sponsor, the George Washington University's Competition Law Center, for joining us in holding this hearing. I also would like to recognize the efforts of the staff of the FTC, notably the Office of International Affairs, Office of Policy Planning, Office of Public Affairs, and Office of the Executive Director. My fellow FTC Commissioners and I are grateful to all of the people who have contributed to producing this impressive event, including especially our speakers.

Thank you all for attending.