



## Federal Trade Commission Protecting America's

Consumers View Information: 09/04/2013

### FTC Staff Issues Advisory Opinion That Information Exchange Program Proposed by United States Money Transmitters Is Unlikely to Harm Competition and May Enhance Consumer Protection Goals

Staff of the Federal Trade Commission's Bureau of Competition has issued [an advisory opinion to The Money Services Round Table \(TMSRT\)](#) concerning its proposal to establish an information exchange database to collect information from and disseminate information to licensed U.S. money transmitters, regarding terminated U.S. agents. TMSRT is a trade association comprised of six licensed national money transmitters. Money transmitters are non-bank entities that transfer funds from one individual or institution to another by wire, check, computer network, or other means.

According to the opinion, TMSRT's program appears unlikely to harm competition and FTC staff has no present intention of recommending an enforcement action challenging the proposed information exchange. The opinion notes that the goal of the information exchange does not appear to be anticompetitive, nor is the exchange designed to further coordination among U.S. money transmitters. In addition, the proposed information exchange will contain several safeguards to lessen the risk of harm to competition and consumers, such as the appointment of a third-party vendor to maintain and secure the information exchange database. Finally, the information exchange is likely to improve the money transmitters' ability to comply with federal and state laws designed to prevent money laundering, terrorist financing, and other criminal behavior, and enhance consumer welfare by preventing the appointment of fraudulent or criminal money transmitter agents.

The advisory opinion is limited to the competition law analysis requested by TMSRT, and is available on the FTC's website and as a link to this press release. (The staff contact is Michael J. Bloom, Bureau of Competition, 202-326-2475.)

The FTC's Bureau of Competition works with the Bureau of Economics to investigate alleged anticompetitive business practices and, when appropriate, recommends that the Commission take law enforcement action. To inform the Bureau about particular business practices, call 202-326-3300, send an e-mail to [antitrust@ftc.gov](mailto:antitrust@ftc.gov), or write to the Office of Policy and Coordination, Bureau of Competition, Federal Trade Commission, 601 New Jersey Ave., N.W., Room 7117, Washington, DC 20001. To learn more about the Bureau of Competition, read [Competition Counts](#). Like the FTC on [Facebook](#), follow us on [Twitter](#), and [subscribe to press releases](#) for the latest FTC news and resources.

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#### Related Items:

##### The Money Services Round Table

- [Staff Advisory Opinion Letter](#) from Michael Bloom, Assistant Director for Policy & Coordination, Bureau of Competition, to Ezra C. Levine, Esq., dated September 4, 2013

Last Modified: Friday, September 6, 2013