

**Prepared Statement
of
The Federal Trade Commission**

on

Reauthorization

**Before the
Subcommittee on Consumer Affairs, Foreign Commerce and Tourism
of the
Committee on Commerce, Science, and Transportation
United States Senate**

Washington D.C.

July 17, 2002

I. INTRODUCTION

Mr. Chairman and Members of the Subcommittee, the Federal Trade Commission (FTC) is pleased to appear before you to support our reauthorization request for Fiscal Years 2003 to

- Stopping branded drug manufacturers from eliminating competition from cheaper generic equivalents. Recent cases addressing conduct allegedly stifling generic competition have involved drugs for high blood pressure, anxiety, and angina and other cardiac problems.

devote significant resources to build on its solid record of achievement in these areas.

1. Consumer Fraud and Deception

The FTC targets both traditional types of fraud and deception and those types that capitalize on new technologies. Simply stated, our mission is to identify the most egregious forms of fraud and deception; to bring cases, on our own and with our law enforcement partners across the country and around the globe; and to educate industry about complying with the law, consumers about how to protect themselves from fraud and deception, and ourselves about emerging issues.

The FTC has two toll-free telephone numbers and an online form available to consumers who have questions or complaints. Consumer complaints are entered into a number of FTC databases, which are accessible to increasing numbers of domestic and foreign law enforcement partners. To identify the most pervasive forms of fraud and deception, and to target wrongdoers for law enforcement actions, we analyze the information collected through the following data systems:

- **Consumer Response Center.** The FTC's Consumer Response Center (CRC) fields complaints and inquiries on a wide variety of consumer protection issues. Consumers can use a toll-free number (1-877-FTC-HELP), as well as an online form and the mail, to contact the CRC with complaints and inquiries. The CRC now responds to more than 55,000 inquiries and complaints a month.
- **[Consumer Sentinel](#).** Established by the FTC in 1997, [Consumer Sentinel](#)⁽⁴⁾ is a fraud database available online to law enforcement agencies across the U.S. and Canada. It receives complaints from the FTC's CRC and from a growing number of other organizations in the U.S. and Canada. *Sentinel* now contains more than 680,000 complaints, and is the richest source of consumer fraud data available to law enforcement agencies. Since June 2001, the FTC has recruited 115 new *Sentinel* members, bringing the total number of *Sentinel* users to more than 460 law enforcement agencies. Law enforcement agencies can use this centralized database to identify trends and target companies that have received a large number of consumer complaints. Consumers also can access publicly available sections of this Web site for statistics about fraud, including the schemes that garner the most consumer complaints, the location of companies subject to complaints, and tips on how to avoid fraud.
- **Identity Theft.** Another FTC toll-free number, 1-877-ID-

uce@ftc.gov) to which Internet customers can forward unsolicited commercial e-mail, commonly known as "spam." This database currently receives, on average, 42,000 new pieces of spam every day. The total number of spam e-mails has grown from 700,000 in the first year to more than 10 million today. The FTC staff searches the database to identify trends and select law enforcement targets.

- **Surf Days.** The FTC ferrets out online fraud and deception through "Surf Days." First used in 1996 to look for online pyramid schemes, the law enforcement surf is now a staple of FTC online scheme identification, usually conducted with other law enforcement agencies. It provides both a window to learn about online pra-8(u)-12(")4(F(w 0.op76 d3.8 re W n B)-12(w)-3

suits against three marketers of electronic abdominal exercise belts, the FTC charged that

from the overall number of filings.

- **Non-reportable mergers now require greater attention.** Although fewer proposed mergers remain subject to the reporting requirements of the HSR Act, the standard of legality under Section 7 of the Clayton Act remains unchanged.⁽¹³⁾ Consequently, we need to identify through means such as the trade press and other news articles, consumer and competitor complaints, hearings, and economic studies, those unreported, usually consummated, mergers that could harm consumers. So far this fiscal year, the FTC has challenged two non-reportable mergers.⁽¹⁴⁾

- **Resource-intensive litigation is more frequently needed.** While the FTC resolves most

when the merger at issue

In 2001, identity theft was the number one consumer complaint made to the FTC. To help stamp out this growing consumer problem, the FTC has undertaken a number of initiatives:

pyramid schemes with "get rich quick" schemes.⁽³⁰⁾ In April 2002, the FTC announced a law enforcement action challenging "spam" e-mail messages that deceptively claimed that consumers had won a free Sony PlayStation 2 or other prize through a promotion purportedly sponsored by Yahoo, Inc. When consumers responded to the e-mail message, they were routed to an adult Internet site via a 900-number modem connection that charged them up to \$3.99 a minute.⁽³¹⁾

C. PREVENTING DECEPTIVE AND ANTICOMPETITIVE HEALTH CARE PRACTICES

The cost of health care has become increasingly significant to both the economy and the

unilateral conduct by branded manufacturers to delay generic entry. Pursuant to the Hatch-Waxman Act, a branded drug manufacturer must list any patent

product/geographic market combinations. When necessary, the agency has insisted on remedial divestitures to cure potential harm to competition. In Chevron/Texaco, the FTC accepted a consent agreement that allowed the proposed \$45 billion merger to proceed but required substantial divestitures to cure the possible anticompetitive aspects of the transaction in 10 separate relevant product markets and 15 sections of the country comprised of dozens of smaller relevant geographic markets.⁽⁵²⁾ In Valero/Ultramar, the FTC obtained a settlement requiring Valero to divest a refinery, bulk gasoline supply contracts, and 70 retail service stations to preserve competition.⁽⁵³⁾ In Phillips/Tosco, applying the same standards, the Commission concluded that the transaction did not pose a threat to competition and voted unanimously to close the investigation.⁽⁵⁴⁾

2. Study of Refined Petroleum Prices

Building on its enforcement experience in the petroleum industry, the FTC is studying the causes of the recent volatility in refined petroleum product prices. During an initial public conference held in August 2001, participants identified key factors, including increased dependency on foreign crude sources, changes in industry business practices, restructuring of the industry through mergers and joint ventures, and new governmental regulations. This information assisted the agency in structuring a second public conference in May 2002, focusing in greater depth on those factors identified as most important in the earlier conference. The information gathered through these public conferences will form the basis for a report to be issued later this year.

3. Gasoline Price Monitoring

The FTC also recently announced a project to monitor wholesale and retail prices of gasoline. FTC staff will inspect wholesale gasoline prices for 20 U.S. cities and retail gasoline prices for 360 cities. Anomalies in the data will prompt further inquiries and likely will alert the agency to the possibility of anticompetitive conduct in certain parts of the country. It will also increase our understanding of the factors affecting the price of gasoline.

4. Consumer Gas-Savings Tips

In addition to focusing resources on protecting competition to keep the family gasoline budget down, the FTC developed a series of consumer education publications to help families fuel up wisely: *Gas-Saving Products: Facts or Fuelishness?*; *The Low-Down on High Octane Gasoline*; *How To Be Penny Wise, Not Pump Fuelish*; and *Gas-Saving Products: Proceed with Caution*. Two of the publications were produced in cooperation with the American Automobile Association. To date, distribution totals for the four publications exceed 277,000.

the lab is a resource for ongoing efforts to understand the medium and to search for fraud, deception, and anticompetitive practices in a secure environment. It provides the necessary equipment and software to capture Web sites and preserve them as evidence. The lab also provides the latest tools for staff to track the manner in which technology is changing the way that commercial information is transmitted to consumers. Unlike advertising in traditional media, for example, advertising in electronic media may vary in content and appearance depending on the appliance and Web browser used by the consumer. FTC Internet enforcement cases reflect the broad range of illegal activity carried out online, from traditional scams like pyramid schemes, health fraud, and bogus investments to high-tech frauds that take advantage of the technology itself to scam consumers. Since June 2001, the FTC has brought over 51 cases involving fraudulent or deceptive Internet marketing practices, bringing the total number of Internet cases filed since 1994 to 236.

- **Internet Task Force.** In August 2001, an Internet Task Force began to evaluate potentially anticompetitive regulations and business practices that could impede e-commerce. The Task Force grew out of the already-formed State Action Task Force, which had been analyzing potentially anticompetitive state regulations generally, and out of the FTC's longstanding interest in the competition aspects of e-commerce. Over the past year, the Task Force has met with numerous industry participants and observers, including e-retailers, trade associations, and leading scholars, and reviewed relevant literature. The Task Force discovered that many states have enacted regulations,

technologies that eventually were adopted as part of the industry standard.⁽⁵⁸⁾ The standard at issue involved a common form of computer memory used in a wide variety of popular consumer electronic products, such as personal computers, fax machines, video games, and personal digital assistants. The FTC's complaint alleges that once the standard was adopted, Rambus was in a position to reap millions in royalty fees each year, and potentially more than a billion dollars over the life of the patents, all of which would be passed on to consumers through increased prices for the downstream products.⁽⁵⁹⁾ Because standard-setting abuses can harm robust and efficiency-enhancing competition in high tech markets, the FTC will continue to pursue investigations in this important area.⁽⁶⁰⁾

- **Intellectual Property Hearings.** In February 2002, the FTC and the DOJ commenced a series of hearings on "*Competition and Intellectual Property Law and Policy in the Knowledge-Based Economy*."⁽⁶¹⁾ The hearings respond to the growth of the knowledge-based economy, the increasing role in antitrust policy of dynamic, innovation-based considerations, and the importance of managing the intersection of intellectual property and competition law to realize their common goal of promoting innovation. During the hearings, business persons, consumer advocates, inventors, practitioners, and academics are focusing on:
 - (a) what economic learning reveals, and does not reveal, regarding the relationships between intellectual property and innovation, and between competition and innovation;
 - (b) "real-world" experiences with patents and competition;
 - (c) procedures and substantive criteria involved in prosecuting and litigating patent claims;
 - (d) issues raised by patent pools and cross-licensing and by certain standard-setting practices;
 - (e) the implications of unilateral refusals to deal, patent settlements, and licensing practices;
 - (f) international comparative law perspectives regarding the competition/intellectual property interface; and
 - (g) jurisprudential issues, including the role of the Federal Circuit.

A public report that incorporates the results of the hearings, as well as other research, will be prepared after the hearings.

- **Wireless Workshop.** In March, FTC staff released a summary and update of the proceedings of its December 2000 workshop, "The Mobile Wireless Web, Data Services and Beyond: Emerging Technologies and Consumer Issues."⁽⁶²⁾ The workshop addressed five topics: (1) an overview of the relevant technologies; (2) privacy issues raised by these technologies; (3) security issues; (4) advertising and disclosures in the wireless area; and (5) self-regulatory programs. The FTC will continue to monitor the development of wireless technologies, along with the privacy, security, advertising, and other consumer protection issues they raise.

2. Globalization

- **Cross-Border Fraud.** The FTC is increasing its efforts to counter fraud that transcends borders. In particular, our partnerships with Canadian officials allow the FTC to respond more effectively to telemarketing scams emanating from Canada. The FTC has forged two city-specific partnerships to coordinate our law enforcement efforts: the Ontario

report also showed compliance by the movie and electronic games industries with industry promises to limit ad placements, although the report found advertisements by all three industries continue to appear in some media popular with teens.⁽⁶⁸⁾ The report concludes that the music industry continues to advertise music with explicit content on television shows and in print magazines popular with teens.

2. Children and Gambling

The FTC also is assessing the marketing of online gambling sites to children. In June, the FTC announced the results of an informal survey of web sites to determine the access and exposure that teens have to online gambling.⁽⁶⁹⁾ The FTC visited over 100 popular gambling web sites and found that minors can, indeed, access these sites easily, and that minors often are exposed to ads for online gambling on non-gambling web sites. The FTC staff has met with representatives of the online gambling industry to seek voluntary corrective action, and with interested consumer advocates. The FTC, in conjunction with industry representatives, has launched a consumer and business education campaign warning about the dangers of underage online gambling. Online gambling industry representatives have advised FTC staff that they will devise a "Guide to Best Practices" regarding clear and conspicuous warnings about prohibited underage gambling, effective blocking methods, and restricted placement of industry advertisements.

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G. ADVANCING EFFICIENT LAW ENFORCEMENT

The FTC has undertaken a variety of efforts to streamline its practices, leverage its resources, and minimize the burden on the public. These ongoing "good government" initiatives share a common theme: they represent efforts to go beyond the regular, ongoing work of the agency and to find ways to make the FTC's work more effective, more efficient, and less costly for businesses and consumers. We seek to use our limited resources wisely, because each day or dollar saved can be applied to additional activities that benefit consumers.

1. Sweeps and Partnerships with Enforcement Agencies

The FTC leverages its resources through coordinated enforcement actions with other law enforcement agencies, both state and federal. In particular, the FTC conducts "sweeps" to investigate and bring actions against specific types of frauds and deceptions. In the past 12 months, the FTC and 12 partners have participated in sweeps covering Internet health fraud, cold-call telemarketing, Internet scams, and business opportunities, resulting in over 170 separate law enforcement actions.

2. Training Staff from Other Agencies

Another way that the FTC promotes efficient law enforcement is to train staff from other law enforcement agencies in new technologies or techniques pioneered by the FTC. One example is the FTC's ongoing Internet fraud training program. The FTC has created a series of regional "Netforces" made up of law enforcement agencies that have participated in our training. On April 2, 2002, the FTC began the first of these efforts by joining eight state agencies in the northwest United States and four Canadian agencies in an initiative targeting deceptive spam and Internet fraud. Together, these agencies have brought 63 law enforcement actions against Web-based scams ranging from alleged auction fraud to bogus cancer cure sites, and have sent more than 500 letters warning of the illegality of deceptive spam.

3. Streamlining Merger Review

A major focus of FTC efficiency efforts is the merger review process. The FTC is working on a number of reforms to speed the process and reduce the burden on merging parties without sacrificing the sufficiency of information required by the agency.

- **Electronic Premerger Filing.** As part of an overall movement to make government more accessible electronically, the FTC, working with the DOJ, will accelerate its efforts in FY 2003 to develop an electronic system for filing HSR premerger notifications. E-filing will reduce filing burdens for both businesses and government, and also will create a valuable database of information on merger transactions to inform future policy deliberations.
- **Burden Reduction in Investigations.** The agencies have taken steps to reduce the burden in document productions responsive to Second Requests. In response to legislation amending the HSR Act, the FTC amended its rules of practice to incorporate new procedures. The rule requires Bureau of Competition staff to schedule conferences to discuss the scope of a Second Request with the parties and also establishes a procedure for the General Counsel to review the request and rule promptly on any remaining unresolved issues. Measures adopted include a process for seeking modifications or clarifications of Second Requests, and expedited senior-level internal review of disagreements between merging parties and agency staff; streamlined internal procedures to eliminate unnecessary burdens and undue delays; and implementation of a systematic management status check on the progress of negotiations on Second Request modifications.

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and (2) the ability to accept volunteer services, in-kind benefits, or other gifts or donations. Both new authorities would be useful as the FTC tries to stretch its resources to meet its statutory responsibilities.

The authority to accept reimbursement for expenses incurred in assisting foreign or domestic law enforcement authorities would be especially useful, since the FTC has been working closely with domestic and foreign law enforcement authorities to address possible law violations. Partnering with these law enforcement authorities has resulted in enhanced law enforcement efforts and greater sharing of significant information. In some of these situations, our foreign or domestic partner is interested in reimbursing the FTC for the services it has provided or in sharing some of the costs of investigating or prosecuting the matter. Without specific statutory reimbursement authority, however, the FTC cannot accept and keep such reimbursements because of constraints under appropriations law.⁽⁷²⁾

In addition, the FTC requests authority to accept donations and gifts, such as volunteer services and in-kind benefits. Congress has conferred this authority by statute on various agencies, including the Office of Government Ethics, the FCC, and the Consumer Product Safety Commission.⁽⁷³⁾ Without this authority, the FTC cannot accept services or keep items because of appropriations law constraints. This broad restriction on acceptance of gifts sometimes limits the FTC's ability to fulfill its mission in the most cost-effective manner. For example, the FTC cannot accept volunteer services from individuals wishing to provide such services to the agency. In addition, agency officials n

Home Scams (June 20, 2002), available at <<http://www.ftc.gov/opa/2002/06/bizopswe.htm>>.

6. Press Release, *FTC Sweep Protects Consumers from "Dialing for Deception"* (Apr. 15, 2002), available at <<http://www.ftc.gov/opa/2002/04/dialing.htm>>.

7. *FTC v. H.G. Kuykendall, Jr.*, No. CIV-96-388-M (W.D. Okla. Mar. 4, 2002).

8. *FTC v. Access Resource Servs., Inc.*, No. 02-60226 (S.D. Fla. Feb. 20, 2002).

9. *FTC v. Electronic Products Distribution, L.L.C.*, No. 02CV0888 H(AJB) (S.D. Cal. May 7, 2002); *FTC v. United Fitness of America, LLC*, No. CV-S-02-648-KJD-LRL (D. Nev. May 7, 2002); *FTC v. Hudson Berkley Corp.*, No. CV-S-0649-PMP-RJJ (D. Nev. May 7, 2002).

10. *Interstate Bakeries Corp.*, Docket No. C-3402 (Apr. 16, 2002) (consent order).

11. *Palm, Inc.* Docket No. C-4044 (April 18, 2002) (consent order)

12. 15 U.S.C § 18a, as amended, P <</MCID 9 >> ET d13()JTL4.96 105.<74(e)8(r n BT /TT1 56 435 632.(v. Tf :1

2002), available at <<http://www.ftc.gov/opa/2002/03/security.htm>>.

24. *United States v. The Ohio Art Co.*, No. 3:02CV7203 (N.D. Ohio filed Apr. 19, 2002); *United States v. American Pop Corn Co.*, No. C02-4008DEO (N.D. Iowa Feb. 28, 2002) (consent decree); *United States v. Lisa Frank, Inc.*, No. 01-1516-A (E.D. Va. Oct. 3, 2001) (consent decree); *United States v. Looksmart, Ltd.*, No. 01-606-A (E.D. Va. Apr. 23, 2001) (consent decree); *United States v. Bigmailbox.com, Inc.*, No. 01-605-A (E.D. Va Apr. 23, 2001) (consent decree); *United States v. Monarch Servs., Inc.*, No. AMD 01 CV 1165 (D. Md. Apr. 20, 2001) (consent decree).

25. *Eli Lilly & Company*, Docket No. C-4047, (May 10, 2002) (final order).

26. 15 U.S.C. § 6801.

27. *FTC v. Information Search, Inc.*, No. AMD-01-1121 (D. Md. Mar. 15, 2002); *FTC v. Guzzetta*, No. CV-01-2335 (E.D.N.Y. Feb. 25, 2002); *FTC v. Garrett*, No. H 01-1225 (S.D. Tex. Mar. 26,

Financing Administration, available at <<http://www.hcfa.gov/stats/nhe-oact/tables/t3.htm>>

38. *FTC v. The Hearst Trust, The Hearst Corp., and First DataBank, Inc.*, Civ Act. No.1:01CV00734 (D.D.C. Apr. 5, 2001) (complaint) (Commissioner Leary and Commissioner Swindle dissenting).

39. *FTC v. Hearst*, Civ. Act. No. 1:01CV00734 (D.D.C. Nov. 9, 2001) (Stipulation for Entry of Final Order and Stipulated Permanent Injunction).

40. Congressional Budget Office, *How Increased Competition from Generic Drugs Has Affected Prices and Returns in the Pharmaceutical Industry* (July 1998), available at <<http://www.cbo.gov>>.

41. *Id.*

42. See Federal Food, Drug, and Cosmetics Act, 21 U.S.C. § 301 *et seq.* The Hatch-Waxman amendments were contained in the Drug Price Competition and Patent Restoration Act of 1984, Pub. L. No. 98-417, 98 Stat. 1585 (codified at 15 U.S.C. §§ 68b, 68c, 70b; 21 U.S.C. §§ 301 note, 355, 360cc; 28 U.S.C. § 2201; 35 U.S.C. §§ 156, 271, 282 (1984)).

43. *Schering-Plough Corp.*, Dkt. 9297 (Apr. 2, 2002) (consent order as to American Home Products). In an initial decision filed on June 27, 2002, an FTC Administrative Law Judge (ALJ) dismissed all allegations of anticompetitive conduct in a March 2001 Federal Trade Commission complaint against pharmaceutical manufacturers Schering-Plough Corporation (Schering) and Upsher-Smith Laboratories (Upsher-Smith). *Schering-Plough Corp.*, Dkt. 9297 (June 27, 2002) (initial decision) (available at <<http://www.ftc.gov/os/2002/07/scheringinitialdecisionp1.pdf>-12(.)-1(pdf)]ailabttp:aint a.f2

50. *Physician Integrated Servs. of Denver, Inc., Michael J. Guese, M.D., and Marcia L. Brauchler*, File No. 011-0173 (May 13, 2002) (proposed consent order accepted for placement on public record for comment); *Aurora Associated Primary Care Physicians, L.L.C., Richard A. Patt, M.D., Gary L. Gaede, M.D., and Marcia L. Brauchler*, File No. 011-0174 (May 13, 2002) (proposed consent order accepted for placement on public record for comment).

51. *Obstetrics and Gynecology Med. Corp. of Napa Valley*, File No. 011-0153 (May 14, 2002) (final order).

52. *Chevron Corp./Texaco Inc.*, Docket No. C-4023 (Jan. 2, 2002) (consent order).

53. *Valero Energy Corp./Ultramar Diamond Shamrock Corp.*, Docket No. C-4031 (Feb. 19, 2002) (consent order).

54. *Phillips Petroleum Corp./Tosco Corp.*, File No. 011-0095 (Sept. 17, 2001) (Statement of the Commission).

55. For example, an FTC study of the broadcasting industry influenced passage of the Radio Act of 1927 (a predecessor to the Federal Communications Act of 1934), and the FTC's disclosure of securities abuses played a role in heightening Congressional recognition of the need for securities regulation and led to the Securities Act of 1933.

56. Staff of the Federal Trade Commission, *Anticipating the 21st Century: Competition Policy in the New High-Tech, Global Marketplace* (May 1996).

57. Letter from Timothy J. Muris, Chairman, Federal Trade Commission and Charles A. James, Assistant Attorney General (Antitrust), Department of Justice, to The Honorable John B. Harwood, Speaker of the Rhode Island House of Representatives (regarding proposed bill H. 7462, Restricting Competition From Non-Attorneys In Real Estate Closing Activities) (Mar. 29, 2002); Letter from Timothy J. Muris, Chairman, Federal Trade Commission and Charles A. James, Assistant Attorney General (Antitrust), Department of Justice, to Ethics Committee, North Carolina State Bar (regarding North Carolina State Bar Opinions Restricting Involvement of Non-Attorneys in Real Estate Closings and Refinancing Transactions) (Dec. 14, 2001); and Comments of The Staff of the Federal Trade Commission, Intervenor, *In Re: Declaratory Ruling Proceeding On the Interpretation and Applicability of Various Statutes and Regulations Concerning the Sale of Contact Lenses* (Ct. Bd. Of Examiners for Opticians, Mar. 27, 2002).

58. *Rambus Inc.*, Docket No. 9302 (June 18, 2002) (complaint), available at <<http://www.ftc.gov/os/2002/06/rambuscmp.htm>>.

59. *Id.*

60. In 1996, the FTC brought a similar case against Dell Computer, alleging that Dell had failed to disclose that it had an existing patent on a personal computer component that was adopted as the standard by a video electronics group. *Dell Computer Co.*, Docket No. C-3658 (May 20, 1996) (consent order) (Commissioner Azcuenaga dissenting).

61. See 66 Fed. Reg. 58146 (Nov. 20, 2001).

62. Federal Trade Commission, *Public Workshop: The Mobile Wireless Web, Data Services and Beyond: Emerging Technologies and Consumer Issues* (Feb. 2002), available at <<http://www.ftc.gov/bcp/reports/wirelesssummary/pdf>>.

63. Press Release, *U.S., Canadian Law Enforcers Target Cross-Border Telemarketing* (June 10, 2002), available at <<http://www.ftc.gov/opa/2002/06/crossborder.htm>>.
64. Federal Trade Commission, *Marketing Violent Entertainment to Children: A Review of Self-Regulation and Industry Practices in the Motion Picture, Music Recording & Electronic Game Industries* (Sept. 2000), available at <<http://www.ftc.gov/reports/violence/vioreport.pdf>>.
65. See Conf. Rep. No. 107-278, at 162 (Nov. 9, 2001).
66. Federal Trade Commission, *Marketing Violent Entertainment to Children: A Six-Month Follow-Up Review of Industry Practices in the Motion Picture, Music Recording & Electronic Game Industries* (Apr. 2001), available at <<http://www.ftc.gov/reports/violence/violence010423.pdf>>.
67. Federal Trade Commission, *Marketing Violent Entertainment to Children: A One-Year Follow-Up Review of Industry Practices in the Motion Picture, Music Recording & Electronic Game Industries* (Dec. 2001), available at <<http://www.ftc.gov/os/2001/12/violencereport1.pdf>>.
68. Federal Trade Commission, *Marketing Violent Entertainment to Children: A Twenty-One Month Follow-Up Review of Industry Practices in the Motion Picture, Music Recording & Electronic Game Industries* (June 2002), available at <<http://www.ftc.gov/reports/violence/mvecrpt0206.pdf>>.
69. Press Release, *FTC Warns Consumers about Online Gambling and Children* (June 26, 2002), available at <<http://www.ftc.gov/opa/2002/06/onlinegambling.htm>>.
70. See Press Release, *FTC Initiates "Best Practices Analysis" for Merger Review Process* (Mar. 15, 2002), available at <<http://www.ftc.gov/opa/2002/03/bcfaq.htm>>.
71. See, e.g., *FTC v. Verity Int'l, Ltd.*, 194 F. Supp. 2d 270 (S.D.N.Y. 2002).