February 28, 2008

VIA ELECTRONIC DELIVERY

Ms. Nancy M. Morris
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: Enhanced Disclosure and New Prospectus Delivery Option for Registered Open-End Management Investment Companies (File No. S7-28-07)

Dear Ms. Morris:

American Century Investments[1] appreciates the opportunity to provide comments regarding the Commission's proposal referenced above.

We applaud the Commission's initiative in proposing an improved mutual fund disclosure framework that is intended to provide investors with information that is easier to use and more readily accessible, while retaining the comprehensive quality of the information that is available today. More specifically, we are pleased with the proposal to permit a person to satisfy its mutual fund prospectus delivery obligations by providing key information to investors in the form of a streamlined summary prospectus while continuing to make more detailed disclosures available on an Internet website and, upon request, on paper or by email. Implicit in this layered approach to disclosure is the Commission's recognition, which we share, of the massive utility of the Internet and related technologies as a means of delivering information to investors. We also appreciate the Commission's attempts to address industry concerns over potential liability that hindered adoption of the fund profile.

Nevertheless, despite our enthusiasm for its animating concepts, we believe the proposal contains significant policy and technical flaws that, if not adequately addressed, may greatly reduce the industry's acceptance and use of the summary prospectus. These flaws are identified and thoughtfully analyzed in the comment letter, dated February 28, 2008, submitted by Karrie McMillan on behalf of the Investment Company Institute (the "ICI").

We generally concur with the comments and recommendations in the ICI letter, especially the critique of the proposed quarterly updating requirement, which we expand upon below. We also request that the Commission consider permitting integrated disclosure for certain types of multiple fund offerings. Finally, we question the appropriateness of including the proposed portfolio turnover disclosure in the summary prospectus.

[1] American Century Investments manages approximately $95 billion in assets, including investments in the 105 registered open-end mutual funds that comprise the American Century family of funds.

QUARTERLY UPDATING REQUIREMENT

We share the ICI's strenuous opposition to the proposed requirement that a summary prospectus contain performance and top ten portfolio holdings information that is updated on a quarterly basis. We, like other ICI members, believe the costs and burdens involved in producing such quarterly updates far outweigh any potential benefits. As noted in the ICI letter, this information already is widely accessible to investors through a number of sources, and including it in the summary prospectus seems to place undue emphasis on short-term performance.

A new quarterly updating process for more than one hundred summary prospectuses would place significant additional burdens on American Century. We estimate that the tasks of updating, reviewing, loading to the website (with updated hyperlinks), and filing the summary prospectuses would require approximately 1150 hours per quarter, or 11 hours per fund. Moreover, because the proposed updating regime is tied to calendar quarters for all funds, it would create severe workload bottlenecks for personnel in multiple departments, including Legal, Compliance, Graphics, Production Services, and Electronic Commerce.[2]

This workload spike would coincide with the quarterly updating of fund fact sheets.[3] Unlike fund fact sheets, production of which is driven by Marketing personnel, we anticipate that responsibility for production and updating of summary prospectuses would lie with the Legal Department due to the increased potential liability associated with the summary prospectus and its role in satisfying prospectus delivery obligations. New processes and procedures would need to be developed, as well as new arrangements made for printing and distribution of the updates for direct use as well as for use by several hundred financial intermediaries with which American Century has relationships.

We would be reluctant to undertake such significant additional burdens in the absence of compelling offsetting benefits, and we simply do not see such benefits. Rather, we see great merit in the ICI's proposed alternative to the quarterly updating requirement: the legend at the beginning of the summary prospectus should specify that a shareholder can find updated performance and top ten portfolio holdings information (if required) on a specified website and at the toll-free number provided.

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[2] Other recurring regulatory disclosures are tied to fiscal year ends, and our funds have adopted nine different FYEs in an effort to mitigate these kinds of workload bottlenecks.

[3] Due to important differences in content, we do not anticipate replacing fund fact sheets with summary prospectuses.

MULTIPLE FUND PRESENTATIONS

We also are concerned about the proposed requirement that the summary information in the statutory prospectus be presented separately for each fund covered by a multiple fund prospectus and the blanket prohibition against integrating information for multiple funds into a single summary prospectus. We share the Commission's concern with overly lengthy multi-fund presentations that make it more difficult for investors to find information about a particular fund. In fact, American Century uses a single fund prospectus for the vast majority of its funds for just this reason.

Nevertheless, we believe an integrated format may be more useful to investors in certain circumstances. For example, target-date funds (such as American Century's LIVE**STRONG**™ portfolios), target-risk funds (such as American Century's One Choice℠ portfolios) and zero coupon bond funds that differ only by maturity (such as the funds offered by American Century's Target Maturities Trust) may be thought of as fund "packages" that are closely related and marketed as a group. Such packages allow investors to select the most appropriate fund from a menu of options that differ by a single variable such as a target date, risk tolerance or duration. In such circumstances, we believe investors' ability to easily compare related funds is more helpful than their ability to find information about a particular fund in a separate presentation.

In addition, we do not believe that the serial addition of 40 or 50 pages of single-fund summaries at the front of a statutory prospectus for a multi-fund package like those described above serves investor interests better than, say, a 10-page integrated summary that covers the same information.

Accordingly, we request that the Commission consider adding an exception to the final proposal to accommodate integrated disclosure (both in summary prospectuses and in the summary section of statutory prospectuses) for fund packages such as those described above.

PORTFOLIO TURNOVER

Finally, we disagree that the proposed disclosure regarding portfolio turnover represents information that is key to an investment decision and therefore worthy of inclusion in the summary prospectus. While we agree that portfolio turnover does affect transaction costs and fund performance, we believe a simple recitation of the rate for the most recent fiscal year and the proposed "explanation" of its effects is at best unhelpful and may be misleading.

Per-share trading costs vary widely among funds, with the result that the same level of portfolio turnover for one fund may have a significantly different impact on transaction costs and performance than it would on another fund. For example, the cost of portfolio turnover for funds that rely heavily on less expensive electronic trading platforms may be significantly lower than for funds with the same turnover that rely on full service brokers. Further, even assuming that portfolio turnover is correlated with trading costs, it does not necessarily follow that turnover is a reliable proxy for performance. Certain trading strategies work better with a buy-and-hold approach, while others rely on the frequent redeployment of assets. In other words, funds with lower turnover do not always outperform funds with higher turnover. Yet we believe this is exactly the implication of the disclosure required by the proposal.

Accordingly, we request that the Commission consider eliminating portfolio turnover disclosure from the summary prospectus.

Thank you for your consideration of our comments on the proposal. If you have any questions regarding this letter, please contact me at (816) 340-7276.

Sincerely,

Brian L. Brogan
Associate General Counsel