

FEDERAL TRADE COMMISSION  
STRATEGIC PLAN FOR  
FISCAL YEARS 2009 TO 2014





## Message from the Chairman

It is my pleasure to present the Federal Trade Commission's Strategic Plan – the road map that will guide us over the next five years. The goals, objectives, strategies, and measures presented here are the tangible standards used to gauge our success in achieving our commitments to all who depend on our performance and stewardship.

We have revised our prior plan in accordance with the Government Performance and Results Act of 1993, and this latest agenda for helping consumers in the upcoming years represents both continuity and change. While our core mission of protecting consumers and maintaining competition remains, this latest iteration reflects some important updates. Our international work is now captured with stand-alone objectives. Also, in order to institutionalize our mission support functions and raise the visibility of the underlying initiatives, we have added a new management goal: "Advance agency performance through organizational, individual, and management excellence."

I look forward to working with Congress, consumers, businesses, industry members, and our federal, state, local, and international law enforcement partners as the FTC implements its plan. This is a unique and important time for the Commission's mission as the marketplace becomes increasingly Internet-based, high-tech, and global, and I believe the strategies outlined in this plan will allow the FTC to address these and other challenges for consumers in the coming years.

Jon Leibowitz,  
Chairman

# ACKNOWLEDGMENTS

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# OVERVIEW

## Mission

To prevent business practices that are anticompetitive or deceptive or unfair to consumers; to enhance informed consumer choice and public understanding of the competitive process; and to accomplish this without unduly burdening legitimate business activity.

## Vision

A U.S. economy characterized by vigorous competition and consumer access to accurate information, yielding a wide range of products at competitive prices and rewarding efficiency, innovation, and consumer choice.

## Strategic Goal 1

Protect Consumers: Prevent fraud, deception, and unfair business practices in the marketplace.

## Strategic Goal 2

Maintain Competition: Prevent anticompetitive mergers and other anticompetitive business practices in the marketplace.

## Strategic Goal 3

Advance Performance: Advance the FTC's performance through organizational, individual, and management excellence.

## Organization

The FTC is headed by a Commission composed of five members who are nominated by the President and confirmed by the Senate, and who serve staggered seven-year terms. The President chooses one Commissioner to act as Chairman. No more than three Commissioners can be of the same political party. As of May 2009, the Chairman is Jon Leibowitz. The other Commissioners are Pamela Jones Harbour, William E. Kovacic, and J. Thomas Rosch. One Commissioner seat is vacant.

The FTC has two major law enforcement bureaus, Consumer Protection and Competition, supported by the Bureau of Economics, regional offices, and mission support offices. The agency enforces laws that prohibit business practices that are anticompetitive, deceptive, or unfair. It also promotes informed consumer choice and public understanding of the competitive process. The work of the FTC helps protect consumers and preserve competition in the United States and, increasingly, the world.

# FEDERAL TRADE COMMISSION STRATEGIC PLAN

## STRATEGIC GOAL 1: PROTECT CONSUMERS

Prevent fraud, deception, and unfair business practices in the marketplace.

The FTC has jurisdiction over a wide range of consumer protection issues. To carry out its broad mission, it must make effective use of limited resources by targeting its law enforcement and education efforts for maximum impact and by working closely with federal, state, international, and private sector partners in joint initiatives. In addition, the agency engages in dialogue with a variety of stakeholders to understand market concerns, and engages in and encourages study of and empirical research on consumer protection topics.

### **Objective 1.1: Identify fraud, deception, and unfair practices that cause the greatest consumer injury.**

To fulfill its consumer protection goal, the FTC must identify consumer protection problems and trends in the fast-changing, increasingly global marketplace. The agency strives to understand the issues affecting consumers, including any newly emerging methods of fraud or deceit, so that it can target its enforcement, education, and advocacy to those areas where consumers suffer the most harm. The FTC reports this information to other law enforcement authorities and encourages those authorities to assist in its efforts, either independently or jointly. In this way, the FTC can leverage its resources by ensuring multiple “cops on the beat.”

To fulfill this objective, the FTC is using new technologies creatively and building on its broad base of private and public sector partners. The agency continues to collect consumer complaint information directly through four principal sources: (1) a toll-free helpline (1-877-FTC HELP); (2) an identity theft hotline (1-877-ID-THEFT); (3) the National Do Not Call Registry (1-888-382-1222); and (4) the online consumer complaint forms that support each of these efforts, as well as online forms dedicated to complaints from members of the U.S. Armed Forces and to cross-border fraud complaints. In addition, the FTC continues to gather consumer complaint information from other sources, includ-

ing law enforcement agencies, Better Business Bureaus, and private entities. The agency makes this and other information available, through a secure Internet website called the Consumer Sentinel Network, to more than 1,700 law enforcement partner agencies in the United States, Canada, and Australia. In addition, the FTC maintains an electronic mailbox ([spam@uce.gov](mailto:spam@uce.gov)) to which Internet users are encouraged to forward spam. This spam is stored in a searchable database enabling the FTC staff to track trends and identify law enforcement targets when researching potential cases. The agency augments identification of targets from its databases with other strategies for generating enforcement leads, such as ad monitoring, Internet surfs (monitoring the Internet for potentially false or deceptive advertising for a targeted product or service), and direct referrals from government and private sector partners.

### **Strategies**

- ◆ Continue to upgrade and enhance the Consumer Sentinel Network.
- ◆ Expand the pool of entities that make their consumer complaint data available to the law enforcement community through the Consumer Sentinel Network.
- ◆ Monitor the marketplace to identify illegal practices that may not be fully captured by the consumer complaint database, for example, through the FTC Internet Lab, spam database, Web surfs, and consumer surveys.
- ◆ Make comprehensive consumer complaint information, as well as the analysis of that information, available to the FTC's law enforcement partners through the Consumer Sentinel Network.



- ◆ Review current functions and determine what changes or upgrades to the Consumer Sentinel Network would be helpful.
- ◆ Assess whether the FTC's law enforcement and education efforts are addressing the leading areas identified by the consumer complaint information gathered by the agency.

### Performance Measures

- ◆ Complaints and inquiries collected and entered into the Consumer Sentinel Network database.
- ◆ The percentage of the FTC's consumer protection law enforcement actions that target the subject of consumer complaints to the FTC.
- ◆ The rate of customer satisfaction with the FTC's Consumer Response Center.

The first performance measure will ensure that the agency assimilates a large number of consumer complaints, including complaints about Do Not Call violations. The agency will receive these complaints from a variety of sources, including direct consumer complaints to the FTC and complaints received by the FTC's partners. In this manner, the FTC will be collecting robust information to inform its law enforcement efforts. The second measure will ensure that FTC law enforcement actions target the subject of concerns identified by consumers. The third measure will ensure that the agency's Consumer Response Center is providing satisfactory service responding to consumers.

### Evaluations

- ◆ Assess the extent to which the consumer complaint and other information made available by the agency is used by staff and its law enforcement partners. The FTC mines the complaint data and other information it collects to identify and target the most serious cases of fraud and deception and respond

quickly to emerging problems. The agency also makes this information available to its law enforcement partners. Information sharing helps the agency coordinate its efforts to fight the many serious problems facing consumers. It also helps the agency leverage law enforcement resources, as other agencies who have access to the complaint data can take appropriate action to address consumer problems.

- ◆ Assess security and integrity protections for the Consumer Sentinel Network and proposed enhancements to the database and evaluate the policies in place.

### Objective 1.2: Stop fraud, deception, unfairness, and other unlawful practices through law enforcement.

The FTC protects consumers by enforcing Section 5 of the FTC Act, which prohibits unfair or deceptive acts or practices in or affecting commerce, as well as by enforcing an increasing number of statutes and rules proscribing specific unlawful practices. The agency initiates civil cases, primarily by filing actions in federal court, which allege that defendants have violated these laws and rules and seek injunctions and other relief. The Commission also conducts administrative proceedings.

### Strategies

- ◆ Stop injury to consumers through aggressive law enforcement.
- ◆ Halt advertising and marketing practices that are most injurious to consumers or that prey on specific groups of vulnerable consumers.
- ◆ Challenge practices that threaten consumer privacy.
- ◆ Enforce consumer credit statutes and rules to protect consumers from deceptive lending practices, illegal credit practices, and unfair and deceptive mortgage loan practices.

- ◆ Create and implement a comprehensive order-enforcement program that targets those individuals and corporations that violate federal court and administrative orders obtained by the FTC.
- ◆ Promote the criminal prosecution of the most egregious fraud violators through coordination and cooperation with criminal law enforcement authorities.

### Performance Measures

- ◆ The percentage of all cases filed by the FTC that were successfully resolved through litigation, a settlement, or issuance of a default judgment.
- ◆ The FTC's effectiveness in stopping prohibited business practices in three high priority areas over the next five years.
- ◆ The percentage of redress cases in which the FTC distributes redress dollars designated for distribution to consumers within 6 months.
- ◆ Investigations or cases in which the FTC obtains foreign-based evidence or engages in other mutual assistance that contributes to FTC law enforcement actions or in which we cooperate with foreign agencies and/or multilateral organizations.

The first measure will ensure that the FTC successfully resolves cases, though it aims to file large, difficult, or precedent-setting cases when appropriate, including cases that raise challenging and legal and factual issues. The second measure will ensure the agency's success in changing business practices within priority areas and demonstrate the change through research methods. The high priority areas will be identified by Bureau management in consultation with Commissioners. The third measure will ensure that the FTC returns redress dollars to consumers as quickly as possible. Dollars are considered "designated for distribution" when the FTC is in receipt of all funds, legal issues are resolved, and a usable claimant list is ready. The last

measure helps gauge law enforcement efforts from an international perspective, including continuing to use and further develop new powers authorized under the "Undertaking Spam, Spyware, And Fraud Enforcement With Enforcers beyond Borders Act of 2006" ("Safe Web") to achieve the objective.

### Evaluations

- ◆ Evaluate whether enforcement activities are tracking the areas of greatest concern and injury to consumers and whether there are new practices or technologies that require additional consumer protection law enforcement.

### Objective 1.3: Prevent consumer injury through education.

Consumer and business education serves as the first line of defense against fraud, deception, and unfair practices. Most FTC law enforcement initiatives include a consumer and/or business education component aimed at preventing consumer injury and unlawful business practices, and mitigating financial losses. From time to time, the agency conducts pre-emptive consumer and business education campaigns to raise awareness of new or emerging marketplace issues that have the potential to cause harm. The agency creatively uses new technologies and private and public partnerships to reach new and under-served audiences, particularly those who may not seek information directly from the FTC. The FTC will continue to publicize its consumer complaint and identity theft website addresses and toll-free numbers in an ongoing effort to increase public awareness of its activities and inform the public of the ways to contact the FTC to obtain information or file a complaint.

### Strategies

- ◆ Focus consumer and business education efforts on areas where fraud, deception, unfair practices, and information gaps cause the greatest injury.
- ◆ Leverage resources (by working with federal, state, local, international, and private sector partners) to maximize the reach of consumer and business education campaigns.

- ◆ Target particular demographic groups with messages about marketplace issues that impact their health, safety, and economic well-being.

### Performance Measures

- ◆ Consumer protection messages accessed online or in print.
- ◆ Customer satisfaction rate with an FTC consumer education website or microsite.
- ◆ Organizations requesting consumer education publications.

Consumer and business education are crucial tools in preventing and reducing consumer harm efficiently and effectively. The first performance measure will help ensure that the agency is engaging in a sufficient amount of educational activity and that the educational materials are aimed at new trends and at particularly vulnerable populations. The second measure will ensure that the agency's consumer education websites are effective and helpful for consumers. The third measure will ensure that the FTC is publicizing its activities in the best way possible and that the agency has a wide array of partners to leverage resources.

### Evaluations

- ◆ Measure the number of education messages disseminated each year relating to high-profile or emerging issues, such as mortgage rescue foreclosure scams, where consumer and business education can help alleviate consumer injury.
- ◆ Assess whether the appropriate mix of media is being used to communicate consumer education messages and whether the FTC is making the most efficient use of available media and technology.
- ◆ Assess the range of public and private sector organizations that partner with the FTC on outreach.

- ◆ Determine whether the FTC needs to reach new audiences, in light of any changes in demographics, advertising, and marketing practices, and what strategies or partnerships may allow the FTC to reach those audiences.

- ◆ Review the focus of FTC education efforts and adjust them based on changing consumer and business needs.

- ◆ Continue to assess and address the consumer information needs of the Hispanic, African-American, and elderly populations.

### Objective 1.4: Enhance consumer protection through research, reports, rulemaking, and advocacy.

The FTC uses a variety of strategies in addition to law enforcement and education to enhance consumer protection. The agency convenes and co-sponsors conferences and workshops through which experts and other experienced and knowledgeable parties identify novel or challenging consumer protection issues and discuss ways to address those issues. The FTC also issues reports that analyze consumer protection problems and provide recommendations to address them. Further, the FTC files comments with federal and state government bodies advocating policies that promote the interests of consumers and highlight the role of consumer and empirical research in their decision making. The agency testifies before Congress on consumer protection issues. The FTC also files amicus briefs to aid courts' considerations of consumer protection issues.

### Strategies

- ◆ Focus workshops and conferences on emerging or challenging consumer protection problems, especially those related to new technologies and financial concerns.
- ◆ Issue reports mandated by law and other reports that articulate concrete measures that the public and private sectors could take to address consumer protection problems, particularly those related to new technologies or financial concerns.

- ◆ Update, rescind, or promulgate trade regulation rules and other agency rules in response to regulatory reviews, Congressional mandates, and emerging consumer protection issues.
- ◆ Target advocacy activities to encourage state, federal, and foreign government policymakers to evaluate both the costs and benefits of their policies for consumers, emphasizing the impact on consumers of policies that unnecessarily affect the dissemination of truthful, non-misleading information to consumers.
- ◆ Use letters and public comments to urge state, federal, and foreign government policymakers to consider consumer research and other empirical data in their decisions regarding the costs and benefits of their policies for consumers.

### Performance Measures

- ◆ Workshops and conferences convened or co-sponsored that address consumer protection problems.
- ◆ Advocacy comments and amicus briefs on consumer protection issues filed with entities including federal and state legislatures, agencies, or courts.
- ◆ The percentage of respondents finding the FTC's advocacy comments and amicus briefs "useful." (Note that "usefulness" is assessed by the recipient; the target percentage recognizes that comments critiquing a recipient's proposed action may not be assessed positively.)
- ◆ The percentage of proposed Administrative Procedure Act (APA) rulemakings, conducted solely by the FTC, completed within 9 months of receipt of final comments in the Final Notice of Proposed Rulemaking.

Public policy that enhances consumer protection is based on a thorough understanding of complex issues, which arises from dialogue, study, and empirical research. Such policy also appreciates that stakeholders other than government, such as industry associations or private standard-setting organizations, are at times better placed to address certain consumer protection issues. These performance measures will help ensure that the agency augments its enforcement and education efforts by encouraging discussions among all interested parties, through careful study of and empirical research on novel or challenging consumer protection problems, by urging adoption of policies and legal principles that promote consumers' interest, and by conducting rulemaking as appropriate. These activities will help guide the FTC's consumer protection policy decisions, as well as those of other state, federal, and international policymakers.

### Evaluations

- ◆ Evaluate whether the FTC is filing comments or otherwise engaging in advocacy with state, federal, and foreign government bodies on consumer protection policies that will have a significant impact on consumers.
- ◆ Assess whether industry gives weight to the FTC's evaluation, monitoring, and advocacy and whether market interests are affected.

### Objective 1.5: Protect American consumers in the global marketplace by providing sound policy and technical input to foreign governments and international organizations to promote sound consumer policy.

The FTC increasingly works around the globe to address new and emerging consumer protection and privacy challenges and concerns. A myriad of issues – spam, phishing, spyware, telemarketing fraud, identity theft, data security, and privacy – cross national borders. The resulting challenges require the FTC to cooperate with counterparts in foreign agencies and international organizations.

The FTC addresses these challenges with a broad-based international program that strives to develop a global marketplace that provides consumers with consistent and effective protections and that helps foreign governments and international organizations improve their capacity to develop and implement sound consumer protection policies.

### Strategies

- ◆ Pursue the development of an international consumer protection model that focuses on protecting consumers while maximizing economic benefit and consumer choice.
- ◆ Focus on understanding cutting-edge issues in technology and globalization that present challenges to American consumer interests.
- ◆ Influence policy development and implementation by advising multilateral organizations, regional entities, and foreign government agencies through substantive consultations and written comments.
- ◆ Provide technical assistance to newer consumer protection agencies to enhance their ability to apply sound consumer protection policies.

### Performance Measures

- ◆ Policy advice provided to foreign consumer protection and privacy agencies, directly and through international organizations, through substantive consultations, written submissions, or comments
- ◆ Technical assistance to foreign consumer protection and privacy authorities.

These measures address the scope of our contact with international counterparts and help determine if our efforts are sufficiently broad-based.

### Program Evaluations

- ◆ Where feasible, evaluate whether the advice and comments that the FTC provides to foreign government agencies and international organizations have been considered by the recipients in their policy development.
- ◆ Evaluate completed technical assistance missions to determine, from the perspective of participants and their managers, whether the assistance was deemed valuable.

## STRATEGIC GOAL 2: MAINTAIN COMPETITION

### Prevent anticompetitive mergers and other anticompetitive business practices in the marketplace.

The work of the FTC's Maintaining Competition Mission is critical to protect and strengthen the free and open markets that are the cornerstone of a vibrant economy. Aggressive competition among sellers in an open marketplace gives consumers the benefit of lower prices, higher quality products and services, maximum choice, and innovation leading to beneficial new products and services. The FTC's goal is to promote vigorous competition by using the antitrust laws to prevent anticompetitive mergers and stop business practices that diminish competition, such as agreements among competitors about prices or other aspects of competition (referred to as nonmerger enforcement), while at the same time minimizing the burdens on legitimate competitive activities. The FTC also engages in a dialogue with state, federal, and international policymakers to advocate on behalf of free and open markets and to urge these other policymakers to restrict competition as little as possible when pursuing other regulatory goals. In addition, the agency engages in dialogue with a variety of stakeholders to understand market concerns, and engages in and encourages study of and empirical research on competition topics. The FTC also files amicus curiae briefs in cases presenting important competition issues that urge courts to adopt rules that benefit consumers by promoting competition. And finally, the agency enters into agreements with foreign competition authorities to facilitate the exchange of information about investigations.

#### **Objective 2.1: Take action against anticompetitive mergers and practices that may cause significant consumer injury.**

The FTC takes action to block or remedy anticompetitive mergers and to stop anticompetitive conduct. This antitrust enforcement provides substantial benefits to consumers by preventing anticompetitive mergers and other coordinated or unilateral conduct that are likely to lessen competi-

tion and innovation and cause consumers to pay higher prices or obtain lower quality goods and services than they otherwise would.

The FTC investigates proposed and consummated mergers, as well as anticompetitive conduct and agreements, and takes action when it has reason to believe that mergers or conduct will likely harm consumers. The FTC's enforcement actions result in litigation, consent orders, and abandoned or restructured transactions or agreements. The FTC strives to maintain strong litigation capabilities and works to ensure that the remedies imposed by its consent orders are effective in maintaining competition in the marketplace.

The Hart-Scott-Rodino (HSR) Premerger Notification Act provides the FTC an effective starting point for identifying anticompetitive mergers and taking action to block or remedy these mergers before they are consummated. The FTC administers the HSR program both for itself and for the Department of Justice's (DOJ) Antitrust Division, which shares authority to challenge anticompetitive mergers. The FTC also uses trade press articles, consumer and competitor complaints, and other means to identify potentially anticompetitive mergers that were not required to be reported under HSR, or that were not reported in violation of HSR.

On the nonmerger side, there is no comparable statutorily mandated program to help identify anticompetitive business practices. The FTC must instead employ a variety of methods to identify potentially anticompetitive practices (for example, consumer and competitor complaints, referrals from other government agencies, and monitoring the trade press).

#### **Strategies**

- ◆ Continue to benefit consumers by challenging anticompetitive mergers and other nonmerger anticompetitive conduct, negotiating consent orders, and winning litigated orders.

- ◆ Continue to make efficient use of the initial 30-day period after HSR filings (or 15 days for a cash tender offer) to determine whether a more detailed investigation is needed to assess whether a merger is likely to harm competition, and to avoid unnecessary extended investigations, including prompt inter-agency clearance and timely review. When appropriate, issue requests for additional information under HSR to determine whether a merger is likely to be anticompetitive.
- ◆ Use trade press articles, consumer and competitor complaints, and other means to identify potentially anticompetitive mergers that were not required to be reported under HSR, or that were not reported in violation of HSR, and potentially anticompetitive nonmerger business practices.
- ◆ When appropriate, use compulsory process in merger and nonmerger investigations to obtain additional information needed to make an informed judgment about the anticompetitive potential of mergers and nonmerger practices.
- ◆ Monitor and enforce compliance with consent decrees and orders.
- ◆ Promptly use compulsory processes in merger and nonmerger investigations.
- ◆ Expedite the investigatory process including possible revisions to Part 2 of the FTC Rules of Practice.
- ◆ Ensure effective communications between staff and the Commission about pending investigations.
- ◆ Assess whether revisions to the enforcement guidelines are required.
- ◆ Monitor and enforce compliance with HSR reporting obligations.
- ◆ Employ integrated teams of lawyers, economists, and other professionals to conduct an economically sound, fact-based analysis of mergers and other potentially anticompetitive business practices. Retain outside experts and consultants in relevant fields of expertise, as needed, when enforcement outcomes would be enhanced by specialized supplementary resources.
- ◆ Negotiate merger and nonmerger consent orders and win litigated orders that have significant remedial, precedential, and deterrent effects.
- ◆ Ensure that administrative litigation and adjudication reach a timely resolution.
- ◆ Work with state or local officials, other federal agencies, and international agencies to maximize resources in taking action against anticompetitive mergers and business practices, and to minimize, to the extent possible, burdens on enforcers and business and duplication of effort, and to avoid conflicting remedies.
- ◆ Apply information gained through workshops, hearings, and research projects to improve the FTC's understanding of significant antitrust issues and emerging trends in business practices, technology, and the marketplace.
- ◆ Apply the merger process reforms to conduct investigations more efficiently, in order to enhance enforcement outcomes while minimizing burdens on business.
- ◆ Improve negotiation and litigation skills and refine investigative and decisional tools through continuous learning.
- ◆ Track and maintain the timeliness of investigations and merger review under the HSR program.
- ◆ Continue to integrate e-government initiatives into mission activities.

- ◆ Improve the integration of budget and performance by linking goals and objectives to results; develop improved processes for use and analysis of management data.

### Performance Measures

- ◆ Actions to maintain competition, including litigated victories, consent orders, abandoned transaction remedies, restructured transaction remedies, or fix-it-first transaction remedies in a significant percentage of substantial merger and nonmerger investigations.
  - “Actions” include consents, abandoned transactions, and final litigated victories. Not included in “actions” would be filed Preliminary Injunctions or Permanent Injunctions, administrative litigations still pending, transactions abandoned before the investigation is reached or the second request/compulsory process stage, or nonmerger consents where staff logged less than 150 hours.
  - “Significant percentage” refers to the 40%-60% target (which is shown on the Performance Measure table that begins on page 40.)
  - “Substantial investigation” includes, for merger investigations, second request and compulsory process investigation. For nonmerger investigations, this refers to investigations where staff logged more than 150 hours.
- ◆ Consumer savings of at least \$500 million through merger actions to maintain competition.\*
- ◆ Actions against mergers likely to harm competition in markets with a total of at least \$25 billion in sales.\*
- ◆ Consumer savings of at least six times the amount of FTC resources allocated to merger program.\*

- ◆ Consumer savings of at least \$80 million through nonmerger actions taken to maintain competition.\*
- ◆ Actions against anticompetitive conduct in markets with a total of at least \$8 billion in annual sales.\*
- ◆ Consumer savings of at least four times the amount of FTC resources allocated to nonmerger program.\*
- ◆ The percentage of cases in which the FTC had at least one substantive contact with a foreign antitrust authority in which the agencies followed consistent analytical approaches and reached compatible outcomes.

These measures evaluate agency performance in several ways: the percentage of substantial investigations that have positive results (i.e., litigated victories, consent orders, or abandoned, fix-it-first, or restructured transactions), the volume of commerce affected (benefitted) by merger and nonmerger actions to maintain competition, the estimated dollar savings to consumers resulting from merger and nonmerger actions, and the estimated dollar savings to consumers per dollar of enforcement resources. In the absence of case-specific information, the dollar savings to consumers is conservatively estimated as one percent of the volume of commerce in the affected markets (for two years in merger cases and for one year in nonmerger cases). It is not intended as a precise estimate of consumer savings, but, rather, as an indication of general magnitude. A more precise estimate based on case-specific information will be used whenever possible. The use of a volume of sales performance measure does not mean that the FTC will only investigate and take enforcement action in markets with large sales volumes. The FTC will continue to investigate and take enforcement action as necessary in all markets where considerable consumer harm is likely. The benchmarks for the estimated dollar savings to consumers per dollar of enforcement resources for merger and

\*External factors may cause the results to fluctuate significantly from year to year. As a result, the agency's performance for these measures will be assessed each year by calculating the average of current year plus the previous four years.



nonmerger actions are based on historical experience, reflecting the different mix of cases and the different investigative and enforcement processes.

These measures will help guide the agency in challenging conduct that causes substantial consumer injury through targeting of its resources effectively and efficiently. These measures evaluate appropriate investigation, case selection, and resolution, whether through litigation or settlement, as well as the crafting of sufficient and effective remedies.

### Program Evaluations

- ◆ Assess the scope of the FTC's annual merger actions to maintain competition, as reflected by the volume of commerce in markets in which the agency took merger actions.
- ◆ Determine whether the total volume of commerce in such markets is likely to reach \$25 billion and determine whether the level of consumer savings is likely to reach \$500 million.
- ◆ Compare the likely impact in these markets to the resources spent on the mission.
- ◆ Assess the scope of the FTC's annual nonmerger actions to maintain competition, as reflected by the volume of commerce in markets in which the agency took nonmerger actions.
- ◆ Determine whether the total volume of commerce in such markets is likely to reach \$8 billion and determine whether the level of consumer savings is likely to reach \$80 million.
- ◆ Compare the likely impact in these markets to the resources spent on the mission.
- ◆ Assess qualitatively the deterrence value and precedential significance of the enforcement actions brought during each year.

- ◆ Evaluate litigation performance for lessons that may be applicable to future litigation.
- ◆ Review the results of major competition research initiatives to identify their usefulness in guiding FTC decisions and influencing other policymakers' approaches to competition issues.
- ◆ Assess markets where investigations were closed without enforcement action and consider whether competition was harmed in the markets resulting in substantial consumer injury, and use this information to guide and enhance the agency's future investigations and enforcement actions.
- ◆ Assess the burden imposed on merger parties by the HSR merger investigation process, explore ways of reducing that burden without compromising effectiveness of investigations, and explore methods of measuring HSR compliance burden.
- ◆ Assess the FTC's efficiency in conducting antitrust investigations, explore ways to increase efficient use of investigatory resources and reduce burdens on business, and explore whether efficiency in conducting investigations can more meaningfully be measured.

### Objective 2.2: Prevent consumer injury through education.

Educating consumers and businesses about competition law and policy is a critical part of the FTC's mission. Informing businesses and their legal advisers about potential antitrust violations deters anticompetitive mergers and anticompetitive business practices from being proposed and reduces businesses' cost of compliance. Educating consumers about their rights and their ability to bring violations to the FTC's attention reduces the cost of identifying anticompetitive conduct. Providing consumers and businesses with information about how antitrust enforcement benefits the common good also encourages cooperation with the FTC's investigations and enforcement actions.

## Strategies

- ◆ Educate consumers and businesses about antitrust issues through traditional means such as guidelines, advisory opinions, reports, articles in professional or other publications, speeches, and participation in professional organizations.
- ◆ Educate consumers through detailed information regarding agency actions on the FTC website, and in press releases, reports, articles, and other publications.
- ◆ Educate businesses through detailed information regarding agency actions on the FTC website, and in press releases, reports, articles, and other publications.
- ◆ Seek the participation of businesses and consumer groups in conferences, workshops, and hearings.
- ◆ Continue to conduct and disseminate the results of public hearings, conferences, and workshops on practices and developments in the marketplace and the results of economic research on how markets operate.
- ◆ Continue to enhance avenues of communication with consumers and business, such as email and the FTC website.
- ◆ Ensure that the content of complaints, press releases, and analyses to aid public comment are “transparent,” that is, that they explain in sufficient detail and with sufficient clarity the evidence and theory of a case, within the constraints of confidentiality requirements.
- ◆ Expand the use of other public statements to explain why the Commission elected not to take enforcement action in certain matters to further improve the public’s understanding of the FTC’s enforcement policies.
- ◆ Engage in outreach to lay groups such as schools to provide information about the work of the FTC and basic principles of economics and competition.

- ◆ Engage in outreach to foreign competition agencies to facilitate the agency’s efforts to promote convergence toward sound consumer-welfare-based competition enforcement and policy.

## Performance Measure

- ◆ Competition resources accessed via the FTC’s website.

Successful outreach and education efforts, as reflected by the above measure, will help consumers because increased knowledge and understanding of the antitrust laws will help businesses stay in compliance. This measure also helps ensure that the agency engages in consumer, business, and international education that advances the culture of competition.

## Program Evaluations

- ◆ Evaluate what antitrust content on the FTC website generates the largest amount of public interest, and why, and use this information in setting future priorities.
- ◆ Seek input from consumer groups, business groups, bar groups, international competition organizations, and other FTC “customers” on the effectiveness of FTC educational efforts.
- ◆ Evaluate the transparency of FTC merger review policy by assessing the extent to which significant changes in such policy are communicated to stakeholders.

## Objective 2.3: Enhance consumer benefit through research, reports, and advocacy.

In addition to its enforcement authority, the FTC has the unique jurisdiction to gather, analyze, and make public certain information concerning the nature of competition as it affects U.S. commerce. The FTC uses that authority to hold public hearings, convene conferences and workshops, conduct economic studies on competition issues of significant public importance, and issue reports of its findings. This authority advances the competition mission in numerous ways. The agency uses the information internally to refine the theoretical

framework for analyzing competition issues and the empirical understanding of industry practices, which contributes substantially to an effective response to changing marketplace conditions. The information gained through this authority, combined with the agency's professional expertise on competition issues, also contributes to a better understanding of business practices and their competitive and economic implications on various entities, including the business sector, the legal community, other enforcement authorities, the judiciary, and governmental decision makers and policymakers at the federal, state, and local levels. In particular, the agency testifies before Congress on competition issues. The FTC uses its expertise to encourage governmental actors at all levels to evaluate both the costs and the benefits of their policies for consumers, and to ensure such policies promote consumer benefit. This advocacy includes formal and informal dialogue with state and federal policymakers and amicus curiae briefs filed with state and federal courts.

### Strategies

- ◆ Conduct public hearings, conferences, and workshops that bring together interested parties to enhance understanding of various practices and developments in the marketplace.
  - ◆ Conduct studies as requested by Congress and other studies as appropriate.
  - ◆ Conduct economic studies of the effects of business actions on competition and consumers in accordance with agency data quality standards, as applicable, to ensure the quality of information that may be disseminated publicly.
  - ◆ Target advocacy activities to encourage state and federal government policymakers to evaluate both the costs and the benefits of their policies for consumers, emphasizing the impact on consumers of policies that unnecessarily restrict competition.
- ◆ File amicus curiae briefs with state and federal courts deciding important competition policy issues urging them to adopt legal rules that benefit consumers by promoting competition.

### Performance Measures

- ◆ Workshops, seminars, conferences, and hearings convened or cosponsored that involve significant competition-related issues.
- ◆ Reports and studies issued on key competition-related topics.
- ◆ Advocacy comments and amicus briefs on competition issues filed with entities including federal and state legislatures, agencies or courts.
- ◆ The percentage of respondents finding the FTC's advocacy comments and amicus briefs "useful." (Note that "usefulness" is assessed by the recipient; the target percentage recognizes that comments critiquing a recipient's proposed action may not be assessed positively.)
- ◆ The volume of traffic on [www.ftc.gov](http://www.ftc.gov) relating to competition research, reports, and advocacy.

These measures will help ensure that the agency is engaging in appropriate types and sufficient levels of research, reports, and advocacy to ensure that they are relevant to consumers, policymakers, business, and the legal community.

### Program Evaluations

- ◆ Include evaluation forms with workshop and conference materials to help assess whether the workshops and conferences are an effective means of joining the debate relating to these issues.

- ◆ Seek input from consumer groups, business groups, bar groups, and others on the value of the agency's research, reports, advocacy submissions, and international activities relating to the competition mission.
- ◆ Evaluate whether the FTC is filing comments or otherwise engaging in advocacy with state and federal policymakers on competition policies that will have a significant impact on consumers and whether the recipients of these comments have given weight to the views expressed in these comments in making policy decisions that affect consumers.

**Objective 2.4: Protect American consumers in the global marketplace by providing sound policy recommendations and technical advice to foreign governments and international organizations to promote sound competition policy.**

The FTC continues to build cooperative relationships with foreign antitrust agencies to ensure close collaboration on cross-border cases and convergence toward sound competition policies. The FTC seeks more effective, coordinated reviews of multijurisdictional mergers, and is working towards achieving consistent outcomes in cases of potential unilateral anticompetitive conduct. Participation in multilateral competition organizations provides valuable opportunities to promote international cooperation and convergence and for competition officials to share insights on law enforcement and policy initiatives.

**Strategies**

- ◆ Pursue the development of an international market-based competition model that focuses on the maximization of consumer benefit.
- ◆ Influence policy development and implementation by advising multilateral organizations, regional entities, and foreign government agencies through substantive consultations and written comments.

- ◆ Provide technical assistance to newer competition agencies to enhance their ability to apply sound competition policies.

**Performance Measures**

- ◆ Policy advice provided to foreign competition agencies, directly and through international organizations, through substantive consultations, written submissions, or comments.
- ◆ Technical assistance provided to foreign competition authorities.

These measures address the scope of our contact with international counterparts and help determine if our efforts are sufficiently broad-based.

**Program Evaluations**

- ◆ Where feasible, evaluate whether the advice and comments that the FTC provides to foreign government agencies and international organizations have been considered by the recipients in their policy development.
- ◆ Evaluate completed technical assistance missions to determine, from the perspective of participants and their managers, whether the assistance was deemed valuable.

## STRATEGIC GOAL 3: ADVANCE PERFORMANCE

Advance the FTC's performance through organizational, individual, and management excellence.

The FTC recognizes that a strong foundation of organizational, individual, and management excellence is a driver of mission success. Goal 3 embodies cross-cutting, ongoing efforts to advance mission performance and enable Goal 1 and Goal 2 to focus on protecting consumers and maintaining competition. Collaborative in nature, this goal captures shared responsibility for agency excellence on behalf of all who rely on the FTC to be an effective guardian of informed consumer choice and free and open markets.

The four objectives supporting this goal align with four key functional areas: human resources, infrastructure and security, information resources, and finance and acquisition. In carrying out our strategies, we will undertake a range of efforts—from managing employees effectively to exercising responsible stewardship of taxpayer dollars. Work in these areas is intended to foster a culture of leadership and accountability and to create conditions that enable decision making while establishing a framework of planning, administration, and management. At the individual level, all employees are expected to assume leadership roles in their areas of responsibility by exhibiting a willingness to develop and coach others, a commitment to teamwork and collaboration, and a drive to meet challenges with innovation and urgency. Collectively, these efforts lay the groundwork for achieving organizational, individual, and management excellence.

### Objective 3.1: Provide effective human resources management.

This objective is aligned with our Human Capital Plan that encompasses leadership and knowledge management, a results-oriented performance culture, talent management, and job satisfaction. We use an integrated approach that ensures human capital programs and policies are linked to the mission, goals, and strategies, while providing for continuous improvement in efficiency and effectiveness. This objective captures our work ensuring that we have the right talent in the right positions

at the right time to meet the challenges of the 21st century by attracting, developing, motivating, and retaining a highly skilled and diverse workforce.

#### Strategies

- ◆ Implement programs and processes that will enable the agency to quickly recruit, develop, and retain a qualified, diverse workforce through an integrated workforce plan.
- ◆ Use the integrated workforce plan to identify and fulfill current and future human resources needs to carry out the mission.
- ◆ Create an agency-wide performance culture focused on individual and organizational accountability toward the achievement of the FTC's programmatic goals and priorities.
- ◆ Implement an employee survey to measure employees' perceptions about conditions that characterize successful organizations, such as leadership quality, performance culture, and talent capacity at the FTC.
- ◆ Provide human resources management training and outreach to staff.
- ◆ Support employees' efforts to improve their knowledge base and skills in a variety of ways, e.g., by participating in professional activities related to the FTC's mission.

#### Performance Measures

- ◆ The extent employees believe their organizational culture promotes improvement in processes, products and services, and organizational outcomes.
- ◆ The extent employees think the organization has the talent necessary to achieve organizational goals.

These performance measures address central aspects of this objective. The FTC recognizes that its employees are its greatest asset and places great emphasis on the importance of human resources management to the successful accomplishment of its mission. The FTC seeks employee feedback on the extent they believe the organization culture promotes improvement in processes, products and services, and outcomes and the extent the FTC has the right talent in the right positions at the right time to carryout the mission.

### Program Evaluations

- ◆ Assess whether the FTC's human capital policies, programs, and processes are addressing the areas identified by employees gathered by the agency annually through the employee survey.
- ◆ Review current programs and processes, identify what changes would be helpful, and implement those changes.

### Objective 3.2: Provide effective infrastructure and security management.

This objective encompasses building, modernizing, and maintaining physical and information technology infrastructure to ensure a safe and secure workplace, to achieve mission goals, and to respond to and anticipate both routine and emergency agency requirements. The agency's Continuity of Operations Plan (COOP) represents a principal initiative under this objective. The Federal Emergency Management Agency (FEMA) conducts annual testing of all federal agency COOP programs. Each federal agency is graded on its responses to the questions and their communication methods by FEMA staff. A second important initiative involves facilities management and space usage. The FTC works with General Services Administration (GSA) to lease space and assesses staff requirements to anticipate needs for outfitting the buildings with adequate work space, conference space and storage space. Finally, managing technical infrastructure and ensuring the availability and reliability of the agency computer and communication facilities represents another important dimension of our work under this initiative.

### Strategies

- ◆ Promote staff awareness by regularly participating in COOP testing.
- ◆ Continue incorporating best practices and gleaned knowledge from FEMA staff.
- ◆ Align with GSA to determine best space usage alternatives, including identifying a new site for staff currently at the Washington, DC New Jersey Avenue building.
- ◆ Continuously take advantage of advances in technologies.
- ◆ Perform internal network auditing and monitoring.
- ◆ Work with customers within the agency to address network vulnerabilities and unusual network activity.
- ◆ Provide security training and outreach to staff.
- ◆ Ensure that staff have adequate access to current, authoritative resource materials in FTC mission areas.

### Performance Measures

- ◆ A favorable Continuity of Operations (COOP) rating.
- ◆ Availability of information technology systems.

These measures gauge important dimensions of maintaining physical and information technology infrastructure and security. A COOP rating offers insight to agency preparedness across a wide spectrum of issues related to facility and operations management. Network availability addresses the reliability of the FTC computer and communications systems.

### Program Evaluations

- ◆ Assess COOP funding against results, determine further staffing requirements, and determine cost to further maintain the program.
- ◆ Collect feedback from GSA Tenant Surveys and from FTC staff.
- ◆ Perform periodic reviews of the percentage of utilized space.

### Objective 3.3: Provide effective information resources management.

The FTC recognizes that sound management of information resources is essential to meeting its strategic goals. The agency manages information in order to enable staff to make thoughtful decisions and perform their work, to facilitate appropriate public access, and to protect sensitive information from inappropriate access and release. The agency is undergoing a multiyear transition to managing information resources in an electronic format as one of the best means of meeting this objective.

### Strategies

- ◆ Implement a comprehensive retention schedule authorizing maintenance and disposition of agency records in electronic format that has been approved by the National Archives and Records Administration (NARA).
- ◆ Utilize an electronic document management system (EDMS) to house work product and official records.
- ◆ Identify and implement business process improvements through effective use of technology.
- ◆ Develop and implement additional information management policies and procedures.
- ◆ Provide information and records management training and outreach to staff.

### Performance Measure

- ◆ The percentage of Commission approved documents in ongoing and newly initiated FTC proceedings available via the Internet within 15 days of becoming part of the public record.

This performance measure facilitates public awareness of and participation in Commission activities. Timely availability of public documents gauges the depth and scope of our transparency in this area.

### Program Evaluations

- ◆ Assess whether particular e-file structures are appropriate for organizing various types of information.
- ◆ Review the means by which FTC maintains and monitors access restrictions to sensitive electronic files.
- ◆ Assess training needs.

### Objective 3.4: Provide effective financial and acquisition management

Resource stewardship and financial oversight are fundamental to establishing the accountability and transparency through which organization, individual, and management excellence are fostered. Effective financial and acquisition management means that the FTC protects American consumers and maintains competition in a fiscally responsible manner. Doing so remains one of our top priorities.

Our work in this arena covers a wide range of administrative and operational efforts such as formulating and executing the agency budget, managing acquisition activities, overseeing the internal control program, managing accounting operations, spearheading audit resolution, and ensuring compliance with various financial management laws and regulations. By promoting consistency and integrity throughout the organization, these initiatives and others like them contribute not only to efficient program delivery, but also to effective

and efficient agency administration overall. These efforts are critical to maintaining the management infrastructure needed to carry out our mission.

### Strategies

- ◆ Integrate disparate legacy systems with the agency's core financial system.
- ◆ Align resources to strategic priorities and outcomes so we will be focused on our most important tasks and programs.
- ◆ Enhance the internal control environment through developing and maintaining appropriate guidance and training for all staff.
- ◆ Implement the best business solutions to accomplish our goals through world-class acquisition and business processes.
- ◆ Cooperate with the Office of Inspector General on audits and investigations of FTC programs and operations.

### Performance Measures

- ◆ Independent auditor's financial statement audit results.
- ◆ The percentage of Bureaus/Offices that establish and maintain an effective, risk-based internal control environment.
- ◆ Performance against the Small Business Administration's government-wide small business procurement goals.

Together, these measures address the most important aspects of this objective. The financial statement audit determines whether our financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles. The audit also addresses internal controls over financial reporting, and compliance with applicable laws and regulations. The internal control

measure demonstrates our commitment throughout the agency to promote integrity, efficiency, effectiveness, and economy. Achieving our small business procurement goal demonstrates that our procurements meet or exceed a major federal acquisition standard.

### Program Evaluations

- ◆ Assess internal administrative and programmatic operations to address areas that need improvement.
- ◆ Assess our acquisition procedures to see if federal regulations and standards are met and that COTRs meet mandatory training requirements.
- ◆ Review financial and feeder system implementation goals to ensure that user needs and federal standards and requirements are met.



# FACTORS AFFECTING THE ACHIEVEMENT OF GOALS

The FTC is a small agency that has had great success responding to the external economic, demographic, environmental, and social factors that impact its goals and objectives. The FTC's dynamic enforcement, education, research, and advocacy approach positions the agency to respond effectively and efficiently to rapid changes occurring in many sectors of the economy. The agency continually reviews law enforcement policies and targets law enforcement actions, education campaigns, and regulations to prevent the most egregious consumer harm, and modifies or eliminates orders and regulations that place unwarranted burdens on business. The policy research and development activities that refine the FTC's theoretical framework, as well as its empirical understanding of industry practices, allow the FTC to respond effectively to changing marketplace conditions.

## Strategic Goal 1: Protect Consumers

The many high-profile issues in today's marketplace present continuing challenges for the FTC in prioritizing activities, keeping abreast of technological changes, and leveraging its resources. The FTC stands prepared to face these challenges as a champion for consumers.

**Technological Changes:** Technology provides countless benefits to consumers, but it also provides new vehicles for fraudulent, deceptive, and unfair practices in the marketplace. To achieve its goal to protect consumers, the FTC must identify trends in the fast-changing marketplace. The agency will continue to learn about newly emerging methods of fraud and deceit so that it can target its efforts to those areas. To stay abreast of technological changes, the FTC will continue its research activities, including the convening of workshops and conferences through which experts and other experienced and knowledgeable parties identify emerging or challenging consumer protection problems related to new technologies, and discuss ways to address those problems.

The agency must also continue to use technological changes to its advantage, creatively using new technologies to maximize the reach of consumer

and business education campaigns. These new technologies will include videos posted to [www.ftc.gov](http://www.ftc.gov) and to [www.YouTube.com/FTCVideos](http://www.YouTube.com/FTCVideos), "teaser" Web sites that mimic fraudulent sites in an attempt to reach consumers when they are searching online for a particular product or service, and e-cards that take advantage of special days by allowing consumers to share consumer protection messages with family and friends.

**Ability to Leverage Resources:** To carry out its broad mission, the FTC must make effective use of limited resources by working closely with federal, state, local, international, and private sector partners in joint initiatives. The FTC will continue to make its consumer complaint and other information available, through Consumer Sentinel Network, to law enforcement partners in the US, Canada, and Australia, and encourage those law enforcement authorities to assist in its efforts, either independently or jointly. Additionally, the FTC will continue to coordinate identity theft law enforcement training for state and local law enforcers. Also, the FTC will continue to promote the criminal prosecution of the most egregious violators through coordination and cooperation with criminal law enforcement authorities. Further, the agency must continue to work with government agencies, consumer groups, industry and professional associations, and businesses to maximize the reach of consumer and business education campaigns by ensuring that information is disseminated as widely as possible.

**The International Arena:** Finally, because protecting American consumers extends beyond domestic boundaries, the agency must continue its work in the international arena. It is difficult to discern the extent to which FTC involvement affects outcomes, as the development of policy in the consumer protection and privacy areas is fragmented in many countries and involves numerous stakeholders, political considerations, and economic factors. Foreign policy and political considerations that are outside the scope of consumer protection policy may also play a role. Furthermore, the ability to conduct technical assistance depends in part on

the availability of external resources, support of U.S. embassies abroad, and the willingness of foreign governments to accept U.S. assistance.

### **Strategic Goal 2: Maintain Competition**

As with the consumer protection goal, the FTC monitors the marketplace for issues that may harm competition and, as a consequence, consumers. In the current economy, companies are restructuring and merging, and seeking new ways to market both new and old products to a growing consumer market.

**Merger Decline:** The premerger notification requirements of the Hart-Scott-Rodino (HSR) Act provide the FTC with an effective starting point for identifying anticompetitive mergers before they are consummated. Additionally, since 2001, when amendments to the HSR Act increased the threshold above which mergers must be reported under the Act, the FTC has devoted more attention to the identification of unreported potential or completed mergers that could harm consumers. Despite a recent decline in HSR filings due to the downturn in the economy, the FTC's merger enforcement program remains very active and the number of mergers challenged by the agency is not expected to drop. Antitrust merger litigation is highly resource-intensive because the issues litigated are increasingly complex and involve sophisticated economic theories. Moreover, the FTC is constantly refining its analytical approach to mergers in light of current marketplace realities.

**Intellectual Property and Privacy:** The continuing transition to a knowledge-based economy from a primarily manufacturing-based economy highlights important questions about the relationship between the antitrust and intellectual property laws. Continuing technological developments and regulatory reform in certain industries are resulting in competition supplanting regulation as the primary means of protecting consumers' interests in some markets. Separately, the restructuring of financial markets is raising concerns about the privacy of personal financial information. These important concerns must be addressed by the agency to help maintain competition in the marketplace. In addition, the increasing globalization of commerce and communications also affects the FTC's

achievement of its strategic goals. More merger investigations involve companies with international ties, and more consumer fraud is being perpetrated across international borders, requiring cooperation with foreign authorities to resolve concerns. When appropriate, the FTC also helps foreign authorities with technical assistance. Changing technology, globalization, and increased complexity mean that many FTC decisions occur under conditions of significant uncertainty.

Research, workshops, and hearings that refine the FTC's theoretical framework or its empirical understanding of industry practices can increase its ability to promote consumer benefit. Health care quality, petroleum pricing, e-commerce, and intellectual property are just a few of the topics on which the FTC will seek to develop a significant knowledge base to guide future decisions.

**The International Arena:** Finally, because antitrust enforcement no longer stops at U.S. borders, the agency must continue its work in the international arena. The development of competition policy involves numerous stakeholders, political considerations, and economic factors. Today, more than 100 governments enforce various sets of competition laws, and that number continues to grow. Because of the continued growth of commerce beyond national boundaries, these different antitrust enforcement authorities increasingly overlap and intersect. It is difficult to discern the extent to which FTC involvement affects the outcome. Foreign policy and political considerations that are outside the scope of competition policy may also play a role. Furthermore, the ability to conduct technical assistance depends in part on the availability of external resources, support of U.S. embassies abroad, and the willingness of foreign governments to accept U.S. assistance.

### **Strategic Goal 3: Advance Performance**

Changes in human capital, security, or government-wide financial management requirements, for example, could cause a shift in priorities or a change in the manner in which we approach the work. Furthermore, some work, such as our space utilization effort, is dependent on our relationship with and cooperation of other agencies such as the General Services Administration.

# THE PLANNING PROCESS

## Development and Stakeholder Outreach

The Office of the Executive Director, in collaboration with the Office of Policy Planning, spearheaded the strategic plan update process by forming two governing bodies, a Working Group comprised of bureau deputy directors and office directors and analysts, and an Executive Committee comprised of executive leadership with cross-cutting representation to evaluate the plan and provide input on the Chairman's goals and policy initiatives. During a series of working sessions, the Working Group evaluated the current plan, conferred with colleagues, and formulated comprehensive recommendations for revising content. After Executive Committee review of and response to the Working Group recommendations, and Commissioners' review, the result was released to external stakeholders, staff, and the Office of Management and Budget for comment. The Working Group and Executive Committee then considered and incorporated the feedback as appropriate and the Commissioners reviewed and approved the final version.

## Evaluations

The agency rigorously reviews its program and law enforcement efforts. The program evaluations used in preparing the strategic plan or scheduled for its duration are listed by objective throughout this document. Many of these evaluations will be independently conducted by the FTC's Bureau of Economics and Office of Policy Planning, Office of Inspector General, and the Government Accountability Office, as appropriate. In addition, the FTC looks to outside groups for additional independent views of its activities.

In 2008, led by then-Chairman Kovacic, Commission staff undertook a multipart, critical self-analysis known as The FTC at 100: Into Our 2nd Century. The project used internal and external deliberations, including a series of 12 domestic and international roundtables, to assess what the FTC must do to fulfill the ambitions the Congress set early in the 20th

century and how to best improve the agency's operations and organization. Chairman Kovacic encouraged and facilitated inclusive stakeholder participation and feedback.

Lastly, the FTC will work to evaluate and improve the integration of budget and performance by linking goals and objectives to results; develop improved processes for collection, use, and analysis of management data; and follow a basic standard of data quality, including objectivity, utility, and integrity for the information used in measuring performance, and for any performance or other data that the agency may distribute publicly.

## Communicating Goals and Strategies

The FTC communicates its goals and strategies throughout the agency in several ways. Periodic all-hands meetings serve as one mechanism. During these "town hall-style" events, agency leaders outline goals and objectives and discuss the means and strategies employed in accomplishing the goals. Planning efforts that occur at the bureau level also facilitate understanding of the agency's goals and strategies. For example, the Bureau of Consumer Protection engages in planning efforts that complement the broader strategic planning effort. During these bureau-wide planning forums, focus teams identify tactical approaches to achieving the objectives identified in the strategic plan.

The FTC addresses manager and staff accountability through the performance rating process. Senior executive development plans tie directly to the strategic goals and objectives. Furthermore, an integral part of these plans includes holding managers accountable in the same manner, and management development plans also correlate to the agency's goals and objectives.

# STAKEHOLDERS

## Congressional Committees and Subcommittees

Senate Committee on Appropriations  
*Senate Appropriations Subcommittee on Financial Services and General Government*

House Committee on Appropriations  
*House Appropriations Subcommittee on Financial Services and General Government*

Senate Committee on Commerce, Science and Transportation  
*Senate Subcommittee on Consumer Affairs, Product Safety and Insurance*

House Committee on Energy and Commerce  
*House Subcommittee on Commerce, Trade and Consumer Protection*

Senate Judiciary Committee  
*Senate Subcommittee on Antitrust, Competition Policy and Consumer Rights*

House Judiciary Committee

Senate Committee on Small Business and Entrepreneurship

House Committee on Small Business

Senate Committee on Homeland Security and Governmental Affairs

House Committee on Government Reform

Senate Committee on Banking, Housing and Urban Affairs

House Committee on Financial Services

Senate Special Committee on Aging

House Energy and Commerce Committee  
Subcommittee on Oversight and Investigations

## Federal and State Agencies

Commodities Futures Trading Commission, Chairman

Consumer Product Safety Commission, Chairman

Council of Economic Advisors, Chairman

Department of Agriculture  
Agriculture Marketing Services, Administrator

Department of Commerce, General Counsel

Department of Commerce  
International Trade Administration, Assistant Secretary

Department of Defense, General Counsel

Department of Energy  
Energy Information Administration, Administrator

Department of Health and Human Services  
Food and Drug Administration, Commissioner

Department of Health and Human Services  
Centers for Disease Control and Prevention, Director

Department of Homeland Security  
Privacy Office, Chief of Staff

Department of Justice  
Antitrust Division, Assistant Attorney General

Department of Justice  
Civil Division, Office of Consumer Litigation, Assistant Attorney General

Department of Justice Criminal Division, Assistant Attorney General

Department of State  
Assistant Secretary, Economic and Business Affairs

Environmental Protection Agency, Administrator

Federal Bureau of Investigation  
Executive Assistant Director, Administration

Federal Communications Commission, Chairman

Federal Energy Regulatory Commission, Chairman

Federal Reserve Board, Chairman

National Association of Attorneys General  
Chair, Antitrust Committee  
Chair, Consumer Protection Committee

National Economic Council, Director

National Institutes of Health  
Office of Dietary Supplements, Director

Office of Management and Budget, Director

Office of the US Trade Representative,  
The US Trade Representative

Securities and Exchange Commission, Chairman  
U.S. Agency for International Development,  
Administrator  
U.S. Postal Inspection Service, Chief Postal Inspector  
U.S. Secret Service, Director

## Inter-governmental Organizations

Asia - Pacific Economic Cooperation,  
President and CEO  
Inter-American Development Bank, President  
International Consumer Protection and  
Enforcement Network , President  
International Competition Network  
Chair, Steering Group  
Organization for Economic Cooperation and  
Development  
Committee on Consumer Policy, Privacy, and  
Information Security  
Committee on Competition  
Working Party on Information Security and Privacy  
(Chairman)  
United Nations Conference on Trade and  
Development  
Competition and Consumer Protection Section  
(Chief)  
World Bank, Executive Director

## Private Organizations

AARP, President  
American Bar Association Antitrust Section,  
Chairman  
American Bar Association Section of International  
Law and Practice, Chairman  
American Advertising Federation,  
President and CEO  
American Antitrust Institute, President  
American Association of Advertising Agencies,  
President and CEO  
American Association of Motor Vehicle  
Administrators, President and CEO

American Chamber of Commerce in Belgium - EU  
Committee, Managing Director  
American Chamber of Commerce in China,  
President  
American Chamber of Commerce in Korea,  
President  
American Chamber of Commerce in Japan,  
President  
American Dietetic Association, President  
American Electronics Association,  
Senior Vice President, Domestic Policy  
American Herbal Products Association, President  
American Medical Association, President  
American Savings Education Council, Chairman  
Association of Food and Drug Officials, President  
Business Roundtable, Executive Director  
Center for Democracy and Technology,  
Executive Director  
Center for Science in the Public Interest,  
Executive Director  
Competitive Enterprise Institute, President  
Consumer Data Industry Advisory Council,  
Director of Government Relations  
Consumer Electronics Association,  
President and CEO, General Counsel  
Consumer Federation of America,  
Executive Director  
Consumers Union, Director  
Council of Better Business Bureaus, Vice President  
Council for Responsible Nutrition,  
President and CEO  
Direct Marketing Association, President and CEO  
Direct Selling Association, President  
Electronic Privacy Information Center,  
Executive Director  
Electronic Retailing Association, President and CEO  
E-Mail Senders and Provider Coalition,  
Public Relations

Federal Bar Association,  
Chairman and Vice President for the Circuits

Financial Services Roundtable,  
Executive Director and General Counsel

Grocery Manufacturers of America, President

Hispanic National Bar Association, President

Interactive Services Association, Executive Director

Information Technology Association of America,  
President

Information Technology Industry Council,  
Manager of Communications

International Bar Association, Chairman

International Chamber of Commerce  
Competition Commission, Chair

Internet Alliance, Executive Director

Internet Corporation for Assigning Names and  
Numbers, Chairman

Internet Law and Policy Forum, Executive Director

International Association of Privacy Professionals,  
Executive Director

The Jumpstart Coalition for Personal Financial  
Literacy, President and CEO

League of United Latin American Citizens,  
National Executive Director

National Association of Consumer Agency  
Administrators, Executive Director

National Association of Manufacturers, President

National Bar Association, President

National Consumers League,  
Communications Director

National Federation of Independent Businesses,  
President

National Retail Federation,  
Senior Vice President of Government Relations

Natural Products Association, President

NetCoalition.com, Executive Director

North American Securities Administrators  
Association, Acting Executive Director and  
Controller

Privacy Rights Clearinghouse, Director

Software and Information Industry Association,  
President

Transatlantic Business Dialogue, Executive Director

United Natural Products Alliance,  
Executive Director

U.S. Chamber of Commerce, President and CEO

U.S. Council for International Business,  
Senior Vice President

U.S. Hispanic Chamber of Commerce,  
President and CEO

# APPENDIX:

## PERFORMANCE MEASURE TABLES WITH ANNUAL TARGETS AND UNITS OF MEASURE

Strategic Plan Goal 1: Protect Consumers  
 Prevent fraud, deception, and unfair business practices in the marketplace

**Objective 1.1: Identify fraud, deception, and unfair practices that cause the greatest consumer injury**

Performance Measure	Target and Unit of Measure				
	Yr 1 2010	Yr 2 2011	Yr 3 2012	Yr 4 2013	Yr 5 2014
1.1.1 Complaints and inquiries collected and entered into the Consumer Sentinel Network database.	2.5 million complaints and inquiries	2.6 million complaints and inquiries	2.7 million complaints and inquiries	2.8 million complaints and inquiries	2.9 million complaints and inquiries
<b>KEY MEASURE 1.1.2</b> The percentage of the FTC's consumer protection law enforcement actions that target the subject of consumer complaints to the FTC.	65% of actions				
1.1.3 The rate of customer satisfaction with the FTC's Consumer Response Center.	a) For the website, exceed average citizen satisfaction rate as published in the American Customer Satisfaction Index E-Government Satisfaction Index b) For the call center, meet or exceed standards for call centers developed by the Citizen Service Levels Interagency Committee				

**Objective 1.2: Stop fraud, deception, unfairness, and other unlawful practices through law enforcement**

Performance Measure	Target and Unit of Measure				
	Yr 1 2010	Yr 2 2011	Yr 3 2012	Yr 4 2013	Yr 5 2014
<b>KEY MEASURE 1.2.1</b> The percentage of all cases filed by the FTC that were successfully resolved through litigation, a settlement, or issuance of a default judgment.	75 to 85% of cases				
1.2.2 The FTC's effectiveness in stopping prohibited business practices in three high priority areas over the next five years.	Statistically significant decrease in the prevalence of the practice				
1.2.3 The percentage of redress cases in which the FTC distributes redress dollars designated for distribution to consumers within 6 months.	90% of cases				
1.2.4 Investigations or cases in which the FTC obtains foreign-based evidence or engages in mutual assistance that contributes to FTC law enforcement actions or in which we cooperate with foreign agencies and/or multilateral organizations.	30 investigations or cases				

**Objective 1.3: Prevent consumer injury through education**

Performance Measure	Target and Unit of Measure				
	Yr 1 2010	Yr 2 2011	Yr 3 2012	Yr 4 2013	Yr 5 2014
1.3.1 Consumer protection messages accessed online or in print.	50 million messages				
<b>KEY MEASURE 1.3.2</b> Customer satisfaction rate with an FTC consumer education website or microsite.	Exceed average citizen satisfaction rate as published in the American Customer Satisfaction Index E-Government Satisfaction Index				
1.3.3 Organizations requesting consumer education publications	11,000 organizations	11,300 organizations	11,600 organizations	11,900 organizations	12,200 organizations



**Objective 1.4: Enhance consumer protection through research, reports, rulemaking, and advocacy**

Performance Measure	Target and Unit of Measure				
	Yr 1 2010	Yr 2 2011	Yr 3 2012	Yr 4 2013	Yr 5 2014
1.4.1 Workshops and conferences convened or cosponsored that address consumer protection problems.	6 workshops and conferences				
1.4.2 Advocacy comments and amicus briefs on consumer protection issues filed with entities including federal and state legislatures, agencies, or courts.	6 comments and briefs				
1.4.3 The percentage of respondents finding the FTC's advocacy comments and amicus briefs "useful."	50% of respondents				
<b>KEY MEASURE 1.4.4</b> The percentage of proposed Administrative Procedure Act (APA) rulemakings, conducted solely by the FTC, completed within 9 months of receipt of final comments in the Final Notice of Proposed Rulemaking.	75% of rulemakings				

**Objective 1.5: Protect American consumers in the global marketplace by providing sound policy and technical input to foreign governments and international organizations to promote sound consumer policy**

Performance Measure	Target and Unit of Measure				
	Yr 1 2010	Yr 2 2011	Yr 3 2012	Yr 4 2013	Yr 5 2014
<b>KEY MEASURE 1.5.1</b> Policy advice provided to foreign consumer protection and privacy agencies, directly and through international organizations, through substantive consultations, written submissions, or comments	40 policy inputs				
1.5.2 Technical assistance to foreign consumer protection and privacy authorities.	8 technical assistance missions or international Fellows hosted				

Strategic Plan Goal 2: Maintain Competition  
Prevent anticompetitive mergers and other anticompetitive business practices in the marketplace

**Objective 2.1: Take action against anticompetitive mergers and practices that may cause significant consumer injury**

Performance Measure	Target and Unit of Measure				
	Yr 1 2010	Yr 2 2011	Yr 3 2012	Yr 4 2013	Yr 5 2014
<b>KEY MEASURE 2.1.1</b> Actions to maintain competition, including litigated victories, consent orders, abandoned transaction remedies, restructured transaction remedies, or fix-it-first transaction remedies in a significant percentage of substantial merger and nonmerger investigations.	40-60% of substantial investigations				
2.1.2 Consumer savings of at least \$500 million through merger actions to maintain competition.*	\$500 million				
2.1.3 Actions against mergers likely to harm competition in markets with a total of at least \$25 billion in sales.*	\$25 billion				
2.1.4 Consumer savings of at least six times the amount of FTC resources allocated to merger program.*	600%				
2.1.5 Consumer savings of at least \$80 million through nonmerger actions taken to maintain competition.*	\$80 million				
2.1.6 Actions against anticompetitive conduct in markets with a total of at least \$8 billion in annual sales.*	\$8 billion				
2.1.7 Consumer savings of at least four times the amount of FTC resources allocated to nonmerger program over a five-year period.*	400%				
2.1.8 The percentage of cases in which the FTC had at least one substantive contact with a foreign antitrust authority in which the agencies followed consistent analytical approaches and reached compatible outcomes.	90%				

\*External factors may cause the results to fluctuate significantly from year to year. As a result, the agency's performance for these measures will be assessed each year by calculating the average of current year plus the previous four years.

## Objective 2.2: Prevent consumer injury through education

Performance Measure	Target and Unit of Measure				
	Yr 1 2010	Yr 2 2011	Yr 3 2012	Yr 4 2013	Yr 5 2014
<b>KEY MEASURE 2.2.1</b> Competition resources accessed via the FTC's website.	10 million hits				

## Objective 2.3: Enhance consumer benefit through research, reports, and advocacy

Performance Measure	Target and Unit of Measure				
	Yr 1 2010	Yr 2 2011	Yr 3 2012	Yr 4 2013	Yr 5 2014
<b>KEY MEASURE 2.3.1</b> Workshops, seminars, conferences, and hearings convened or cosponsored that involve significant competition-related issues.	4 workshops, seminars, conferences, and hearings				
<b>KEY MEASURE 2.3.2</b> Reports and studies issued on key competition-related topics.	8 reports and studies				
<b>KEY MEASURE 2.3.3</b> Advocacy comments and amicus briefs on competition issues filed with entities including federal and state legislatures, agencies or courts.	6 comments and briefs				
2.3.4 The percentage of respondents finding the FTC's advocacy comments and amicus briefs "useful."	50%				
2.3.5 The volume of traffic on www.ftc.gov relating to competition research, reports, and advocacy.	1.7 million hits				

## Objective 2.4: Protect American consumers in the global marketplace by providing sound policy recommendations and technical advice to foreign governments and international organizations to promote sound competition policy

Performance Measure	Target and Unit of Measure				
	Yr 1 2010	Yr 2 2011	Yr 3 2012	Yr 4 2013	Yr 5 2014
<b>KEY MEASURE 2.4.1</b> Policy advice provided to foreign competition agencies, directly and through international organizations, through substantive consultations, written submissions, or comments.	40 policy inputs				
2.4.2 Technical assistance provided to foreign competition authorities.	10 technical assistance missions or international Fellows hosted				

## Strategic Plan Goal 3: Advance Performance

Advance the FTC's performance through organizational, individual, and management excellence

### Objective 3.1: Provide effective human resources management

Performance Measure	Target and Unit of Measure				
	Yr 1 2010	Yr 2 2011	Yr 3 2012	Yr 4 2013	Yr 5 2014
3.1.1 The extent employees believe their organizational culture promotes improvement in processes, products and services, and organizational outcomes.	Exceed the government-wide results on the Federal Human Capital Survey's Results-Oriented Performance Culture Index				
<b>KEY MEASURE 3.1.2</b> The extent employees think the organization has the talent necessary to achieve organizational goals.	Exceed the government-wide results on the Federal Human Capital Survey's Talent Management Index				

### Objective 3.2: Provide effective infrastructure and security management

Performance Measure	Target and Unit of Measure				
	Yr 1 2010	Yr 2 2011	Yr 3 2012	Yr 4 2013	Yr 5 2014
<b>KEY MEASURE 3.2.1</b> A favorable Continuity of Operations (COOP) rating.	75%				
<b>KEY MEASURE 3.2.2</b> Availability of information technology systems.	98.0% system availability	98.5% system availability	99.0% system availability	99.5% system availability	99.5% system availability

### Objective 3.3: Provide effective information resources management

Performance Measure	Target and Unit of Measure				
	Yr 1 2010	Yr 2 2011	Yr 3 2012	Yr 4 2013	Yr 5 2014
<b>KEY MEASURE 3.3.1</b> The percentage of Commission-approved documents in ongoing and newly initiated FTC proceedings available via the Internet within 15 days of becoming part of the public record.	75%	75%	80%	80%	85%

### Objective 3.4: Provide effective financial and acquisition management

Performance Measure	Target and Unit of Measure				
	Yr 1 2010	Yr 2 2011	Yr 3 2012	Yr 4 2013	Yr 5 2014
3.4.1 Independent auditor's financial statement audit results.	Unqualified opinion on the financial statements				
<b>KEY MEASURE 3.4.2</b> The percentage of Bureaus/Offices that establish and maintain an effective, risk-based internal control environment	100%				
3.4.3 Performance against the Small Business Administration's government-wide small business procurement goals.	23%				



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