



# Department of Justice

FOR IMMEDIATE RELEASE  
THURSDAY, APRIL 30, 2015  
[WWW.JUSTICE.GOV](http://WWW.JUSTICE.GOV)

AT  
(202) 514-2007  
TTY (866) 544-5309

**STATEMENT BY ACTING ASSISTANT ATTORNEY GENERAL LESLIE OVERTON  
ON COURT'S REMEDY TO ADDRESS AMERICAN EXPRESS'S ANTITRUST  
VIOLATION**

***Remedy Prohibits American Express from Blocking Efforts by Merchants  
To Create Competition Among Credit Card Networks***

WASHINGTON – Acting Assistant Attorney General Leslie Overton of the Department of Justice's Antitrust Division provided the following statement today after the U.S. District Court of the Eastern District of New York issued an order regarding a remedy to address American Express's illegal conduct:

“We are pleased that the court has ordered American Express to eliminate its illegal anti-steering rules. These rules have stifled competition among credit card networks by blocking merchants from encouraging their customers to use particular credit cards. The court's remedy will benefit merchants, who pay more than \$50 billion in credit card ‘swipe fees’ annually, as well as the consumers who ultimately bear these costs. Merchants' ability to encourage the use of particular credit card networks will incentivize American Express and its competitors to compete to earn a greater share of a merchant's business. The court's order reinforces the victory the department has won for consumers.”

The court's order prohibits American Express from adopting rules or entering contracts that block merchants from encouraging their customers to use a particular credit card. Under the order, merchants must be permitted to: offer discounts for the use of particular cards; express a preference for particular cards; disclose to customers the cost merchants incur when the customer uses particular credit cards; and engage in other conduct to encourage use of favored credit cards. The order also requires American Express to: repeal any rules that block merchant steering; notify merchants of their freedom to engage in steering activities; and adopt compliance measures to ensure that its employees understand that they cannot continue to block steering by merchants that accept American Express cards.

The U.S. Department of Justice and 17 state attorneys general sued American Express, Visa Inc. and MasterCard International Inc., in 2010 to eliminate restrictions that the three credit card networks imposed on merchants. The civil case, brought under Section 1 of the Sherman Antitrust Act, sought to end the violation and to restore competition.

Settlements with Visa and MasterCard were filed at the same time the case against American Express was begun; the settlements, like the court's order concerning American Express's conduct, prohibit Visa and MasterCard from continuing their rules and practices that had obstructed competition. The court approved the settlements on July 20, 2011, and they applied immediately to Visa and MasterCard. American Express was not a party to the settlements, and the litigation against American Express continued.

Over the course of a seven week trial during the summer of 2014, the department presented evidence that these restrictions obstruct merchants from using competition to try to keep credit card fees from increasing.

On Feb. 19, 2015, Judge Nicholas G. Garaufis of the Eastern District of New York issued a decision finding that American Express violated Section 1 of the Sherman Act. The court also entered a scheduling order instructing the parties to submit, within 30 days, a joint proposed remedial order. Today's order follows the parties' briefing concerning the proposed remedy.

###