

Commerce Bancshares, Inc.
Compliance Department
922 Walnut; Mail Stop TB 12-1
Kansas City, MO 64106

Project Number: R411010

October 28, 2004

Federal Trade Commission
FACTA Prescreen Rule
P.O. Box 1030
Merrifield, VA 22116-1030

via web form:

<https://secure.commentworks.com/ftcprescreen>

Dear Sir or Madam:

Commerce Bancshares, Inc. is a registered bank holding company with total assets of \$14.5 billion at September 30, 2004, and four bank subsidiaries. Three of these banks are full-service banks, with approximately 200 branch locations in Missouri, Illinois, and Kansas. The other bank is a limited-purpose bank, with one office in Omaha, Nebraska. All of the banks are national banks.

The Federal Trade Commission has requested comment regarding the prescreen opt-out disclosure that must be provided if an offer of credit or insurance is made to a list of consumers that meet certain criteria. Our institution makes prescreened solicitations and would be subject to the rule's requirements. We find that solicitations made based on prescreening criteria are extremely cost-effective, and it is through this type of marketing that we are able to present products to new and interested potential customers. Based on our experience, we would like to take this opportunity to respectfully ask that consumers be given the right to opt out of offers from all providers or from particular providers, and the notice language be changed to reflect this request.

Consumers who receive multiple offers from the same company may choose to opt-out because they don't want any more marketing material from that particular business. However, by exercising that right, they will not be able to receive prescreened offers from any business for products that may be more beneficial to them and their families. The proposal will adversely affect smaller businesses, because the "all or nothing" rule would create a much smaller group of consumers to which all businesses would be able to market. This would result in an increase in marketing expenses, greater cost to the business in order to book an account and ultimately, a higher price for the consumer.

We do think it's important to inform the consumer of their right to opt-out of solicitations should they choose to do so, and would suggest that the toll-free phone number be required in the long notice. Layering the notices is an excellent way to inform consumers and while we support this part of the proposed regulation, we would request that the term "principal promotional document" be defined. Companies that include multiple pieces of marketing material in the solicitation may place the notice within the materials so that it is not as prominent as the Commission intends.

The Commission may also wish to review the font size requirements of the short notice. Most marketing materials are not written in a twelve-point font size, so requiring that particular size will, in most instances, make the notice even larger than the material itself. We respectfully suggest that the Commission revise this part of the proposal to mandate that the font size of the notice shall be no smaller than the font size of the marketing message text.

An invitation to comment was made regarding the effective date of the proposal, as the Commission would like to ensure that sixty days would be enough time for businesses to comply with the new rules. Due to printing/re-printing time frames and the costs of destroying existing stock, we request the Commission allow one hundred and twenty days to ensure compliance.

At the current time, we do not make any prescreened solicitations in an electronic format, however, after careful consideration, we would suggest that the Commission require both the short and long notices appear on the first screen for electronic mailings.

Thank you for providing the opportunity to comment.

Sincerely,

Katherine A. D. Foster, JD
Compliance Research Manager