

Retailers Appeal Flawed Credit Card Swipe Fee Settlement

Written by Australian Business

WASHINGTON--([BUSINESS WIRE](#))--The [National Retail Federation](#) today formally filed an [appeal](#) of a controversial antitrust lawsuit settlement covering credit card swipe fees, asking the 2nd U.S. Circuit Court of Appeals to overturn a lower court's ruling. NRF Senior Vice President and General Counsel [Mallory Duncan](#) issued the following statement after the [notice to appeal](#) was filed with the court:

"NRF is filing the appeal to overturn the flawed credit card swipe fee settlement. The settlement does nothing to reform the price-fixing payments system that has let credit card swipe fees skyrocket over the past decade and nothing to keep them from continuing to soar in the future. Instead of lowering fees, the card industry's settlement proposes that merchants pass them along to consumers in the form of surcharges. That is absolutely the opposite of what retailers sought, and major retailers have soundly rejected surcharging.

"There has been no agreement to this settlement by the retail industry. Instead, there's a settlement with nine individual retailers whose views are not representative of the collective industry. A majority of the original plaintiffs in the case repudiated the settlement as soon as they saw its terms, the nation's largest retailers have spoken out against it, and close to 8,000 retailers and merchants have formally rejected the proposal. This is an abuse of the class action system and should never have been approved.

"The only people pleased with this settlement are Visa and MasterCard, because it means they can continue collecting tens of billions of dollars in hidden fees, the class action lawyers who stand to collect half a billion dollars in fees without fixing the problem, and a lower court, which has cleared a time-consuming case off its docket, but has done a serious disservice to merchants and the public in the process."

NRF is the world's largest retail trade association, representing discount and department stores, home goods and specialty stores, Main Street merchants, grocers, wholesalers, chain restaurants and Internet retailers from the United States and more than 45 countries. Retail is the nation's largest private sector employer, supporting one in four U.S. jobs – 42 million working Americans. Contributing \$2.5 trillion to annual GDP, retail is

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a daily barometer for the nation's economy. NRF's [This is Retail](#) campaign highlights the industry's opportunities for life-long careers, how retailers strengthen communities, and the critical role that retail plays in driving innovation.

www.nrf.com

Note to media: [NRF Advocates for Swipe Fee Reform](#)