

From: Charming Shoppes, Inc., Kirk Simme
Subject: Reg II - Debit card Interchange

Comments:

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Proposal: Regulation II - Debit Card Interchange Fees and Routing
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February 21, 2011 The Honorable Ben Bernanke, Chairman Board of Governors of the Federal Reserve System 20th Street and Constitution Avenue, NW Washington, DC 20551 Dear Chairman Bernanke: Charming Shoppes is a multi-brand, specialty apparel retailer with a leading market share in women's plus-size specialty apparel primarily in three distinct core retail brands as Lane Bryant, Fashion Bug, and Catherines Plus Sizes. We operate approximately 2,010 retail stores located in 48 states and we have approximately 24,000 employees. Charming Shoppes trades publicly on the NASDAQ market under the symbol CHRS. As a mid-sized specialty retailer, we are substantially affected by the Federal Reserve's proposed ruling on debit card interchange fees and we support the proposal. We strongly oppose any delays in its implementation for the following reasons: The relief delivered to consumers and merchants by the reforms is long overdue and a delay would be harmful to the economic recovery to both retailers and consumers who struggle to emerge from the current recession. Currently, the average household pays an additional \$400 per year for goods and services because swipe fees are buried in prices; A delay in the implementation of the proposed ruling would be contrary to congressional intent; Simplification of the networks' complex debit interchange fee structures and increased flexibility of network routing will allow retailers more efficient network and processing options; The Federal Reserve Staff has already conducted a thorough and time-consuming analysis of the economic ramifications and impact in preparation of the proposed ruling. Moreover, the Board has already received thousands of responses to the proposal. Few, if any, additional insights will be gained by delaying implementation. If successful, the banking industry's efforts to delay the implementation of the proposed ruling will have deleterious effects on the "Main Street" economy and will contravene the Congressional intent of the Dodd-Frank Act. For those reasons,

I strongly urge the Board of Governors to continue with the timeline as prescribed. Very Sincerely Yours, Kirk R. Simme