**Establishment of the Federal Trade Commission in 1914**

The predecessor to the Federal Trade Commission, the Bureau of Corporations, was born on February 14, 1903, as a way to institutionalize trust-busting.[[1]](#footnote-1) The Bureau of Corporations was established to be the leader in regulating competition in interstate commerce.[[2]](#footnote-2) The Bureau of Corporations would administer sanctions but had no power to enforce these sanctions. Because of this problem, the FTC was soon created to replace the Bureau of Corporations. President Woodrow Wilson signed the Federal Trade Commission Act on September 26, 1914. This was a piece of legislation that was deemed antitrust legislation. Unlike the Bureau of Corporations, the FTC also had enforcement authority.[[3]](#footnote-3) Among the FTC’s duties are regulating growth of monopolies and maintaining trade practices to keep them fair.[[4]](#footnote-4) Section 5 of the FTC Act states: “The commission is hereby empowered and directed to prevent persons, partnerships, or corporations, except banks, and common carriers subject to the Acts to regulate commerce, from using unfair methods of competition in commerce.” This legislation shaped later legislation regulating commerce and still regulates commerce today.[[5]](#footnote-5)

1. MacFarlene, Cathy. Federal Trade Commission, "FTC Commemorates 100th Anniversary of Predecessor, Bureau of Corporations." February 14, 2003. Accessed September 1, 2012. http://www.ftc.gov/opa/2003/02/bcorp.shtm. [↑](#footnote-ref-1)
2. "Federal Trade Commission." West's Encyclopedia of American Law. 2005. *Encyclopedia.com.* Accessed September 21, 2012. http://www.encyclopedia.com/doc/1G2-3437701781.html [↑](#footnote-ref-2)
3. "FTC's History Timeline." Federal Trade Commission. 2011, Accessed September 1, 2012. http://www.ftc.gov/ftc/turns100/timeline/index.shtm [↑](#footnote-ref-3)
4. "Federal Trade Commission." West's Encyclopedia of American Law. 2005. *Encyclopedia.com.* Accessed September 21, 2012. http://www.encyclopedia.com/doc/1G2-3437701781.html [↑](#footnote-ref-4)
5. "FTC's History Timeline." Federal Trade Commission. 2011, Accessed September 1, 2012. http://www.ftc.gov/ftc/turns100/timeline/index.shtm [↑](#footnote-ref-5)