

May 1, 2008
Nancy M. Morris
Secretary
Securities and Exchange Commission
100 F Street, N. E. Washington, D.C. 20549-1090

RE: File No. S7-28-07

Dear Ms. Norris:

We applaud the proposal that would permit mutual fund companies to sell their shares by means of an easy to read, plain English “summary prospectus,” and to satisfy their prospectus delivery obligations under Section 5(b)(2) of the Securities Act of 1933 (the “Securities Act”) by providing the “statutory prospectus” on an Internet website. The Proposal would also amend Form N-1A to require that the summary prospectus disclosure includes key information in a standardized order.

Making wise financial investments is one of the most important and challenging decisions faced by consumers. However, investors now are confronted by mutual fund prospectuses crammed with data regarding a fund’s return performance, management expenses, loads, and marketing fees, as well as details of the portfolio’s holdings. Given the sheer quantity of available information to investors and the thousands of funds from which to choose, picking the fund which most appropriately matches one’s personal risk-return tradeoff, is a challenging task even for the savviest of investors.

Our research clearly indicates that many consumers have difficulty processing the information contained within mutual fund disclosures and therefore tend to rely on simple heuristics. Important information such as ongoing costs tends to be ignored while a great deal of weight is placed on past returns as a guide and predictor of future performance.

It is important to provide consumers with more understandable and meaningful information about mutual funds. The provision of information in a choice situation typically can provide important consumer benefits such as improved decision-making, enhanced product quality and lower prices. However, in order for that information to have a positive impact on the consumer decision making process, it must be easily accessible and presented in a clear and understandable format. The proposed changes are a step in the right direction. We have attached a copy of our recent published work on a summary prospectus to provide further background on our findings.

Sincerely,

/s/

Elizabeth Howlett

Professor of Marketing, University of Arkansas

John Kozup

Director, Center for Marketing and Public Policy Research Villanova University

Michael Pagano

Associate Professor of Finance, Villanova University

Attachment: "The Effects of Summary Information on Consumer Perceptions of Mutual Fund Characteristics"

Bets

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