

**Commissioner Bart Chilton
Dissent**

from

**Approval of Cantor Futures Exchange's Domestic Box Office Receipts futures contracts on
the motion picture "The Expendables."**

June 28, 2010

As I mentioned in my MDEX dissent on June 14, I have three primary concerns about allowing box office receipt futures contracts. First, the contracts are not, in my view, "commodities" under the definition contained in the Commodity Exchange Act (CEA). If movie futures can be traded, we could also have terrorism contracts or death pool contracts. None are good ideas.

Second, the contracts are subject to disruptive trading and manipulation because movie studios have a tremendous influence on box office returns. In no other commodity does one entity have the ability to control the settlement price. If you are a corn farmer, for example, and you decide not to plant corn, it certainly won't impact the price of corn. However, if you are a movie studio and you alter your marketing budget for a film, that could impact (and no question does) box office returns.

Finally, I am not convinced that these contracts are needed as a hedging tool or that they would receive more than occasional use. This last criterion (more than occasional use) is actually required by the Act for approval. The agency has received a few letters that would suggest a real need for these contracts. Certainly there has been no outcry to use these markets as a hedging tool.

For these reasons, I respectfully dissent from the Commission's approval of The Cantor Futures Exchange's application for box office receipt futures contracts.