

Complaint

IN THE MATTER OF

CORELOGIC, INC.CONSENT ORDER, ETC. IN REGARD TO ALLEGED VIOLATIONS OF
SECTION 5 OF THE FEDERAL TRADE COMMISSION ACT AND
SECTION 7 OF THE CLAYTON ACT

Docket No. C-4458; File No. 131 0199
Complaint, May 20, 2014 – Decision, May 20, 2014

This consent order addresses the \$661 million acquisition by CoreLogic, Inc. of certain assets of TPG VI Ontario 1 AIV L.P. The complaint alleges that the acquisition, if consummated, would violate Section 7 of the Clayton Act and Section 5 of the Federal Trade Commission Act by substantially lessening competition in the market for national assessor and recorder bulk data. Under the order respondent must grant Renwood RealtyTrac LLC a license for national assessor and recorder bulk data that will restore to the market a third competitor that will act independently of CoreLogic.

Participants

For the *Commission*: Susan A. Huber and Cathlin Tully.

For the *Respondent*: David Beddow and Courtney Dyer, O'Melveny & Myers LLP, and David Ernst and Elaine Johnston, Allen & Overy LLP.

COMPLAINT

Pursuant to the Clayton Act and the Federal Trade Commission Act, and its authority thereunder, the Federal Trade Commission ("Commission"), having reason to believe that Respondent CoreLogic, Inc. ("CoreLogic") has agreed to acquire certain assets and interests of TPG VI Ontario 1 AIV L.P. ("TPG"), including its DataQuick Information Systems, Inc. ("DataQuick") national real property public record bulk data business, in violation of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45, and which, if consummated, would violate Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45, and it appearing to the Commission that a proceeding in respect thereof would be in

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the public interest, hereby issues its Complaint, stating its charges as follows:

I. THE RESPONDENT

1. Respondent CoreLogic is a publicly-traded corporation organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 40 Pacifica, Irvine, California, 92618-7471.

2. Respondent is engaged in, among other things, the licensing of national assessor and recorder bulk data in the United States.

3. Respondent is, and at all times relevant herein has been, engaged in commerce, as “commerce” is defined in Section 1 of the Clayton Act as amended, 15 U.S.C. § 12, and is a corporation whose business is in or affects commerce, as “commerce” is defined in Section 4 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 44.

II. THE PROPOSED ACQUISITION

4. Pursuant to a Purchase and Sale Agreement (“Agreement”) dated June 30, 2013, Respondent CoreLogic proposes to acquire certain assets and other interests, including DataQuick, from TPG for \$661 million (the “Acquisition”).

III. THE RELEVANT MARKET

5. For the purposes of this Complaint, the relevant line of commerce in which to analyze the effects of the Acquisition is the market for national assessor and recorder bulk data. National assessor and recorder bulk data consist of aggregated current and historical assessor and recorder data in bulk format for the vast majority of properties across the United States. National assessor and recorder bulk data providers offer data for all properties in covered jurisdictions in a standardized form.

6. For the purposes of this Complaint, the relevant geographic market in which to assess the competitive effects of

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the Acquisition is the world. The relevant product is provided through electronic file transfer technology and can be supplied from anywhere in the world, notwithstanding the more limited geographic scope of the product itself.

IV. THE STRUCTURE OF THE MARKET

7. Assessor and recorder data provide information regarding ownership, status, and value of properties. Assessor data consist of public record information concerning characteristics of individual real property parcels, including, but not limited to, square footage, number of bedrooms and bathrooms, sales information, history, and assessed value. Assessor data are often referred to as tax assessor or tax roll data. Recorder data consist of public record information that is abstracted from transactions related to real property, including, but not limited to, deeds, mortgages, liens, assignments, and foreclosures, and contains information, including, but not limited to, the parties to the transaction, transfer tax, and purchase price. Assessor and recorder data and information are available from local (county or county-equivalent) government offices.

8. National assessor and recorder bulk data customers integrate the data into proprietary programs and systems for internal analyses or to create value-added products using the data, such as risk and fraud management tools, valuation models, and consumer-oriented property websites. National assessor and recorder bulk data customers cannot use regional assessor and recorder bulk data to create reliable internal analyses or value-added products. Regional bulk data providers offer data for certain limited geographic areas in the United States. National bulk data customers could not combine the data offered by regional firms to meet their needs because it would not provide the required geographic scope.

9. The Acquisition would significantly increase concentration in an already highly concentrated market for national assessor and recorder bulk data. CoreLogic and DataQuick are two of only three competitors that offer national assessor and recorder bulk data. Black Knight Financial Services, Inc. (formerly Lender Processing Services, Inc.) (“Black Knight”)

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is the other competitor. DataQuick obtained historical data through a prior acquisition and since 2004 has obtained on-going national assessor and recorder bulk data primarily through a license with CoreLogic. The license allows DataQuick to re-license the data in bulk and act independently of CoreLogic. DataQuick aggressively competes head-to-head against CoreLogic and Black Knight to furnish national assessor and recorder bulk data to customers, offering lower prices and less restrictive contract terms than its competitors.

V. ENTRY CONDITIONS

10. Entry or expansion into the market for national assessor and recorder bulk data would not occur in a timely, likely, or sufficient manner to deter or negate the anticompetitive effects of the Acquisition. In order to compete effectively in the market for national assessor and recorder bulk data, a firm must have several years of national historical data and an ability to provide go-forward national data. Firms currently offering assessor and recorder bulk data on a regional basis would not expand their historical and on-going offerings in a timely manner to provide national assessor and recorder bulk data. Regional firms could not combine their offerings to provide national assessor and recorder bulk data customers with the necessary geographic scope of data they require, nor is it likely that a firm combining the offerings of all of the regional firms could expand to offer national coverage in a timely enough manner to constrain any exercise of market power. It would be cost-prohibitive for a potential entrant to collect the necessary on-going and historical data. Finally, a potential entrant without its own historical data would not be able to enter the market for national assessor and recorder bulk data by obtaining a license from CoreLogic or Black Knight. Neither CoreLogic nor Black Knight has any incentive to offer such a license to a potential entrant only to create a new competitor.

VI. EFFECTS OF THE ACQUISITION

11. The effects of the Acquisition, if consummated, may be to substantially lessen competition and tend to create a monopoly in the relevant market in violation of Section 7 of the Clayton Act,

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as amended, 15 U.S.C. § 18, and Section 5 of the FTC Act, as amended, 15 U.S.C. § 45, by, among other things:

- a. eliminating actual, direct, and substantial competition between Respondent CoreLogic and DataQuick;
- b. increasing the likelihood and degree of coordinated interaction between or among Respondent CoreLogic and the remaining competitor, Black Knight; and
- c. increasing the likelihood that Respondent CoreLogic unilaterally would exercise market power.

VII. VIOLATIONS CHARGED

12. The Agreement described in Paragraph 4 constitutes a violation of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45.

13. The Acquisition described in Paragraph 4, if consummated, would constitute a violation of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45.

WHEREFORE, THE PREMISES CONSIDERED, the Federal Trade Commission on this twentieth day of May, 2014, issues its Complaint against Respondent.

By the Commission, Commissioner McSweeney not participating.

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**DECISION AND ORDER
[PUBLIC RECORD VERSION]**

The Federal Trade Commission (“Commission”) having initiated an investigation of the proposed acquisition of certain assets and other interests of TPG VI Ontario 1 AIV L.P. (“TPG”), including its DataQuick Information Systems, Inc. (“DataQuick”) national real property public record bulk data business, by CoreLogic, Inc. (“CoreLogic” or “Respondent”), and Respondent having been furnished thereafter with a copy of a draft of Complaint that the Bureau of Competition proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge Respondent with violations of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45; and

Respondent, its attorneys, and counsel for the Commission having thereafter executed an Agreement Containing Consent Order (“Consent Agreement”), containing an admission by Respondent of all the jurisdictional facts set forth in the aforesaid draft of Complaint, a statement that the signing of said Consent Agreement is for settlement purposes only and does not constitute an admission by Respondent that the law has been violated as alleged in such Complaint, or that the facts alleged in such Complaint, other than jurisdictional facts, are true, and waivers and other provisions as required by the Commission’s Rules; and

The Commission having thereafter considered the matter and having determined that it has reason to believe that Respondent has violated the said Acts, and that a Complaint should issue stating its charges in that respect, and having thereupon issued its Complaint, and having accepted the executed Consent Agreement and placed such Consent Agreement on the public record for a period of thirty (30) days for the receipt and consideration of public comments, now in further conformity with the procedure described in Commission Rule 2.34, 16 C.F.R. § 2.34, the Commission hereby makes the following jurisdictional findings and issues the following Decision and Order (“Order”):

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1. Respondent is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 40 Pacifica, Irvine, California, 92618-7471.
2. The Federal Trade Commission has jurisdiction over the subject matter of this proceeding and over Respondent, and the proceeding is in the public interest.

ORDER**I.**

IT IS ORDERED that, as used in this Order, the following definitions shall apply:

- A. “CoreLogic” or “Respondent” means CoreLogic, Inc., its directors, officers, employees, agents, representatives, predecessors, successors, and assigns; its joint ventures, subsidiaries, divisions, groups, and affiliates, in each case controlled by CoreLogic, including CoreLogic Solutions, LLC, CoreLogic Acquisition Co. I, LLC, CoreLogic Acquisition Co. II, LLC, and CoreLogic Acquisition Co. III, LLC; and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- B. “TPG” means TPG VI Ontario 1 AIV, L.P., its directors, officers, employees, agents, representatives, predecessors, successors, and assigns; its joint ventures, subsidiaries, divisions, groups, and affiliates, in each case controlled by TPG, including DataQuick; and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- C. “DataQuick” means DataQuick Information Systems, Inc., a corporation organized, existing and doing business under and by virtue of the laws of the State of

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Delaware, with its office and principal place of business at 9530 Towne Centre Drive, San Diego, California 92121. DataQuick is an indirect wholly-owned subsidiary of TPG.

- D. “RealtyTrac” means Renwood RealtyTrac LLC, a limited liability company organized, existing and doing business under and by virtue of the laws of the State of Nevada, with its office and principal place of business at One Venture Plaza, Suite 300, Irvine, California 92618.
- E. “Acquirer” means RealtyTrac or any other person or entity approved by the Commission to enter a Remedial Agreement.
- F. “Acquisition” means CoreLogic’s acquisition of certain non-corporate interests and assets of TPG through a Purchase and Sale Agreement dated June 30, 2013, by and among Property Data Holdings, Ltd., DataQuick Lending Solutions, Inc., and Decision Insight Information Group S.a.r.l., as Sellers, and CoreLogic Acquisition Co. I, LLC, CoreLogic Acquisition Co. II, LLC, and CoreLogic Acquisition Co. III, LLC, as Buyers, and solely with respect to, and as specified in Sections 5.4 and 5.7, Property Data Holdings, L.P., and solely with respect to, and as specified in, Sections 2.5, 2.7, 2.10(f), 5.7, 5.18, 5.21, 8.2(b), 8.7(b), and 9.15, CoreLogic Solutions, LLC.
- G. “Acquisition Date” means the date on which the Acquisition is consummated.
- H. “Assessor Data” means public record information concerning characteristics of individual real property parcels, including, but not limited to, square footage, number of bedrooms and bathrooms, sales information, history and assessed value. Assessor Data is often referred to as tax assessor or tax roll data.

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- I. “CoreLogic-RealtyTrac Agreement” means the Data License Agreement between CoreLogic Solutions, LLC and Renwood RealtyTrac, LLC, attached hereto as Confidential Appendix A.
- J. “DataQuick Customer” means any person, business or other entity that had a contract to license or purchase, or who licensed or purchased, aggregated current or historical Assessor Data or Recorder Data in bulk format from DataQuick at any time after March 1, 2013.
- K. “Divestiture Date” means the later of (1) the effective date of the Remedial Agreement; (2) the first date on which the Assessor Data, Recorder Data, automated model values, equity files, foreclosure flags, home price index data, and tax data delivery are being delivered to the Acquirer on an on-going basis pursuant to the delivery requirements in the Remedial Agreement; (3) the date on which all of the Licensed Historical Data is delivered to the Acquirer; or (4) the date on which the Relevant First Tier Business Records are delivered to the Acquirer.
- L. “Divestiture Trustee(s)” means any person or entity appointed by the Commission pursuant to Paragraph IV of the Order to act as a trustee in this matter.
- M. “Licensed Data” means Assessor Data, Recorder Data and Other Related Data, other than Licensed Historical Data, that is to be provided to the Acquirer pursuant to the delivery requirements in the CoreLogic-RealtyTrac Agreement or other Remedial Agreement.
- N. “Licensed Historical Data” means the Assessor Data, Recorder Data and Other Related Data in the possession, custody or control of DataQuick on the day prior to the Acquisition Date, and the Licensed Data generated, collected, licensed or obtained by Respondent from the Acquisition Date through the date Respondent begins delivering all of the Licensed

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Data on an on-going basis to the Acquirer pursuant to the delivery requirements in the CoreLogic-RealtyTrac Agreement or other Remedial Agreement.

- O. “Other Related Data” means any data, derived data, or other product that a DataQuick Customer licensed or purchased through the same agreement under which the DataQuick Customer licensed or purchased Assessor Data or Recorder Data, including, but not limited to, automated model values, equity files, foreclosure flags, home price index data, and tax data delivery.
- P. “Recorder Data” means public record information that is abstracted from transactions related to real property, including, but not limited to, deeds, mortgages, liens, assignments and foreclosures, and contains information, including, but not limited to, the parties to the transaction, transfer tax, and purchase price.
- Q. “Relevant Employee” means any employee who was employed by DataQuick on the day prior to the Acquisition Date whose duties related, in whole or part, to gathering, obtaining, generating, manipulating, storing, marketing, selling or licensing Assessor Data, Recorder Data or Other Related Data.
- R. “Relevant First Tier Business Records” means:
 - 1. All documents required to be delivered under the Remedial Agreement;
 - 2. All documents necessary to enable the Acquirer to receive, manage, verify, quality check, manipulate, reformulate and provide to DataQuick Customers the Licensed Data and Licensed Historical Data in the same manner as DataQuick; and
 - 3. All contracts, licenses, agreements and purchase histories of DataQuick Customers.

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- S. “Relevant Long-Term Contract” means any contract, contract renewal, contract extension or other agreement that was entered into prior to the Acquisition Date and expires on or after March 31, 2017, between DataQuick and a DataQuick Customer through which the DataQuick Customer licenses or purchases Assessor Data or Recorder Data.
- T. “Relevant Other Business Records” means all documents and information, other than Relevant First Tier Business Records, in the possession or control of DataQuick on the day prior to the Acquisition that relate to:
1. DataQuick Customers; *provided, however*, Relevant Other Business Records shall not include documents and other information that wholly concern products other than Assessor Data, Recorder Data or Other Related Data;
 2. Marketing, selling and licensing of Assessor Data, Recorder Data and Other Related Data; and
 3. Collecting, managing, manipulating, storing, and providing Assessor Data, Recorder Data and Other Related Data, including, but not limited to, intellectual property, proprietary software, quality control documents, record layouts, data manipulation and data formatting information.
- U. “Relevant Renewal Contract” means (i) any contract, contract renewal, contract extension or other agreement between DataQuick and a DataQuick Customer that was entered into between July 1, 2013 and the Acquisition Date through which the DataQuick Customer licenses or purchases Assessor Data or Recorder Data; or (ii) any contract or other agreement between the Respondent and a DataQuick Customer that was entered into between July 1, 2013 and the Acquisition Date through which the DataQuick

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Customer licenses or purchases Assessor Data or Recorder Data.

- V. “Remedial Agreement” means the CoreLogic-RealtyTrac Agreement if approved by the Commission, or any other agreement between an Acquirer and the Respondent or a Divestiture Trustee that is entered into pursuant to this Order and approved by the Commission. The term Remedial Agreement includes the relevant agreement as approved by the Commission and all future amendments, exhibits, attachments, and schedules to such agreement.
- W. “Transition Period” means a period of time lasting until eighteen (18) months after the Divestiture Date.

II.**IT IS FURTHER ORDERED** that:

- A. Not later than ten (10) days after the Acquisition Date, Respondent shall execute and make effective the CoreLogic-RealtyTrac Agreement,

Provided that, if, at the time the Commission determines to make this Order final, the Commission notifies Respondent that RealtyTrac is not an acceptable licensee of the Licensed Data and Licensed Historical Data, or the manner in which the Licensed Data and Licensed Historical Data was licensed is not acceptable, Respondent shall notify RealtyTrac and immediately rescind the CoreLogic-RealtyTrac Agreement, and within six (6) months from the date this Order becomes final, absolutely and in good faith, at no minimum price, license the Licensed Data and Licensed Historical Data to an Acquirer that receives the prior approval of the Commission and in a manner that receives the prior approval of the Commission.

- B. Not later than ten (10) days after the Acquisition Date, Respondent shall license the Licensed Data to an

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Acquirer in a manner that receives the approval of the Commission and conforms with the following:

1. The Licensed Data shall include at least the same scope and quality of Assessor Data, Recorder Data and Other Related Data as was collected, acquired, licensed, and generated by DataQuick prior to the Acquisition;
2. Respondent shall deliver the Licensed Data to the Acquirer in a manner that is at least as timely and accurate, and provides the same level of service, as Respondent provided to DataQuick prior to the Acquisition;
3. Within sixty (60) days of licensing the Licensed Data and Licensed Historical Data, Respondent shall begin delivering all of the Licensed Data to the Acquirer in a manner that conforms with the requirement of the Remedial Agreement and this Order;
4. Respondent shall deliver the Licensed Data to the Acquirer in a format (including record layout) and manner that is acceptable to the Acquirer, it being understood that if the Acquirer has agreed to provision of the data in a particular format and manner in a Remedial Agreement that such format and manner are acceptable to the Acquirer;
5. Respondent shall not restrict the marketing, licensing or use of the Licensed Data by the Acquirer, except as agreed to by the Acquirer and approved by the Commission in the Remedial Agreement;
6. Respondent shall not restrict the ability of the Acquirer to transfer or assign the license to the Licensed Data except as agreed to by the Acquirer and approved by the Commission in the Remedial Agreement; and

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7. Respondent shall license and provide the Acquirer with the Licensed Data for a period of no less than five years except as agreed to by the Acquirer and approved by the Commission in the Remedial Agreement; *provided, however*, that the Monitor, in consultation with staff of the Commission, may, as necessary to achieve the remedial purposes of this Order, authorize up to two (2) one-year extensions of such period.
- C. Not later than ten (10) days after the Acquisition Date, Respondent shall irrevocably license the Licensed Historical Data to an Acquirer in a manner that receives the approval of the Commission and conforms with the following:
1. Respondent CoreLogic shall deliver the Licensed Historical Data to the Acquirer upon entry of the license, except that Licensed Historical Data obtained after the date of the license shall be delivered to Acquirer on the same schedule as the Licensed Data;
 2. Respondent shall deliver the Licensed Historical Data to the Acquirer in a format (including record layout) and manner that is acceptable to the Acquirer, it being understood that if the Acquirer has agreed to provision of the data in a particular format and manner in a Remedial Agreement that such format and manner are acceptable to the Acquirer;
 3. Respondent shall not restrict the marketing, licensing or use of the Licensed Historical Data by the Acquirer, except as agreed to by the Acquirer and approved by the Commission in the Remedial Agreement; and
 4. Respondent shall not restrict the ability of the Acquirer to transfer or assign the license to the Licensed Historical Data except as agreed to by the

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Acquirer and approved by the Commission in the Remedial Agreement.

- D. Not later than fifteen (15) days after the Remedial Agreement is executed, Respondent shall deliver to the Acquirer all Relevant First Tier Business Records, in their original format together with any software or other tools used by DataQuick to view and manipulate such records, or in an alternative format agreed to by both the Acquirer and the Respondent.
- E. Not later than thirty (30) days after the Remedial Agreement is executed, Respondent shall deliver to the Acquirer all Relevant Other Business Records in their original format together with any software or other tools used by DataQuick to view and manipulate such records, or in an alternative format agreed to by both the Acquirer and the Respondent,

Provided, however, Respondent shall not be required to deliver a Relevant Other Business Record until ten (10) days after the Acquirer requests delivery of such record.

- F. Continuing until the day after termination of the Transition Period, Respondent shall, upon reasonable request, provide the Acquirer with access to knowledgeable employees and information related to DataQuick's collection, manipulation, storage and provision of Assessor Data, Recorder Data and Other Related Data as needed to assist the Acquirer in collecting, manipulating, storing and providing to customers the Licensed Data and Licensed Historical Data as required by this Order and the Remedial Agreement. As part of this obligation, Respondent shall, on or before the day the Remedial Agreement is executed, designate one or more employees as transition coordinator(s) and shall provide the name and contact information for the transition coordinator(s) to the Acquirer, to the Commission and

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the Monitor. The transition coordinator(s) shall be responsible for ensuring Respondent complies with its obligations to provide transition assistance as required by this Paragraph and the Remedial Agreement, including by timely providing knowledgeable employees and information to the Acquirer. Respondent shall ensure that the transition coordinator(s) has the authority, capability and resources necessary to meet Respondent's obligations under this paragraph and the Remedial Agreement.

- G. In any agreement to provide a DataQuick Customer with Assessor Data or Recorder Data executed between the Acquisition Date and nine (9) months after the Divestiture Date, Respondent shall include a provision allowing the customer to terminate the agreement in order to license or purchase Assessor Data or Recorder Data from the Acquirer so long as the DataQuick Customer provides 180-days' written notice of its intent to terminate the agreement, *provided, however*, that the DataQuick Customer may, at any time after providing its written termination notice, revoke or postpone the effective date of such notice.
- H. Respondent shall permit any DataQuick Customer to terminate a Relevant Renewal Contract in order to license or purchase Assessor Data and Recorder Data from the Acquirer so long as the DataQuick Customer provides 180-days' written notice of its intent to terminate the Relevant Renewal Contract, *provided, however*, that the DataQuick Customer may, at any time after providing its written termination notice, revoke or postpone the effective date of such notice.
- I. Respondent shall permit any DataQuick Customer to terminate a Relevant Long-Term Contract on or after March 31, 2016, in order to license or purchase Assessor Data or Recorder Data from the Acquirer so long as the DataQuick Customer provides 180-days' written notice of its intent to terminate the Relevant

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Long-Term Contract, *provided, however*, that the DataQuick Customer may, at any time after providing its written termination notice, revoke or postpone the effective date of such notice.

- J. No later than thirty (30) days after the Remedial Agreement is executed, Respondent shall notify all DataQuick Customers who have either a Relevant Long-Term Contract or a Relevant Renewal Contract of their rights under this Order to terminate such agreement. Notification under this provision must comply with the following:
1. Notification must be sent to the person designated in the relevant customer agreement to receive notices or, if no such person has been designated, the Chief Executive Officer or General Counsel of the DataQuick Customer;
 2. Notification must be sent by certified mail with return receipt requested, or electronic mail in a manner that provides documentation that the Notification was received and opened within 48 hours of being sent; and
 3. Notification must be substantially in the form attached as Appendix C to this Order, and include a copy of the Order and Complaint or a link to the url on the ftc.gov website where the Order and Complaint may be located.
- K. Respondent shall not directly or indirectly:
1. Require any Customer to make or pay any payment, penalty, or charge for, or provide any consideration in relation to, or otherwise deter, the exercise of the option to terminate and end a contract pursuant to Paragraph II.G, II.H, or II.I of this Order; or

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2. Retaliate against or take any action adverse to the economic interests of any DataQuick Customer that exercises its rights under this Order,

Provided, however, that Respondent shall retain its right to enforce, or seek judicial remedies for, breaches of contracts based upon rights or causes of action that are unrelated to the exercise by a DataQuick Customer of its option to terminate, and

Provided further, however, that nothing in this provision shall prevent Respondent from competing for any customer in its ordinary course of business.

- L. For a period lasting until one (1) year after the Divestiture Date:

1. Respondent shall, within ten (10) days of a request by the Acquirer, provide the following information to the Acquirer (to the extent permitted by applicable law and to the extent that Respondent has such information) regarding any Relevant Employee:
 - a. The date of hire and effective service date;
 - b. Job title or position held;
 - c. A specific description of the Relevant Employee's responsibilities; *provided, however,* in lieu of this description, Respondent may provide the employee's most recent performance appraisal;
 - d. The base salary or current wages;
 - e. The most recent bonus paid, aggregate annual compensation and current target or guaranteed bonus, if any;

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- f. Employment status (*i.e.*, active or on leave or disability; full-time or part-time);
 - g. Any other material terms and conditions of employment in regard to such employee that are not otherwise generally available to similarly situated employees; and
 - h. Copies of all employee benefit plans and summary plan descriptions (if any) applicable to the relevant employees.
 - 2. Respondent shall not interfere with the ability of the Acquirer to solicit, interview or hire any Relevant Employee and shall remove any impediments within the control of Respondent that may deter any Relevant Employee from accepting employment with the Acquirer, including, but not limited to, non-compete provisions and non-disclosure provisions related to documents, information, or knowledge acquired or created by the Relevant Employee before the Acquisition Date in any employment or other contracts. Respondent shall not make any counter-offer to a Relevant Employee who has received a written offer of employment from the Acquirer.
- M. For a period lasting until two (2) years after the Divestiture Date, Respondent shall not solicit or otherwise attempt to induce any employee hired by the Acquirer to terminate his or her employment relationship with the Acquirer,

Provided, however, that Respondent may (1) hire any Relevant Employee whose employment has been terminated by the Acquirer or who independently applies for employment with Respondent, as long as such employee was not solicited in violation of the non-solicitation requirements contained herein; (2) advertise for employees in newspapers, trade publications or other media not targeted specifically at

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Relevant Employees; or (3) hire a Relevant Employee who contacts Respondent on his or her own initiative without any direct or indirect solicitation or encouragement from Respondent.

- N. The purpose of this Order is to enable the Acquirer to compete with Respondent in the provision of, marketing and licensing of Assessor Data and Recorder Data and to remedy the lessening of competition alleged in the Commission's Complaint.

III.**IT IS FURTHER ORDERED** that:

- A. The Commission may appoint a monitor or monitors ("Monitor") to assure that Respondent expeditiously complies with all obligations and performs all responsibilities required by this Order and the Remedial Agreement. The Monitor shall serve, without bond or other security, at the expense of Respondent, on such reasonable and customary terms and conditions to which the Monitor and Respondent agree and that the Commission approves.
- B. The Commission appoints Mitchell S. Pettit as a Monitor and approves the agreement between Pettit and Respondent, attached as Appendix B to this Order.
- C. The Monitor's duties and responsibilities shall include the following:
1. The Monitor shall act in a fiduciary capacity for the benefit of the Commission;
 2. The Monitor shall have the power and authority to monitor Respondent's compliance with the terms of this Order, including the Remedial Agreement, and shall exercise such power and authority and carry out the duties and responsibilities of the

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Monitor in a manner consistent with the purposes of this Order and in consultation with the Commission;

3. The Monitor shall, in his or her sole discretion, consult with third parties in the exercise of his or her duties under the Order or any agreement between the Monitor and Respondent, provided that such third parties enter into the same customary confidentiality agreements as the Monitor; and
 4. The Monitor shall evaluate the reports submitted to the Commission by any Respondent pursuant to this Order and the Consent Agreement, and within thirty (30) days from the date the Monitor receives a report, report in writing to the Commission concerning performance by the submitting Respondent of its obligations under the Order.
- D. Respondent shall grant and transfer to the Monitor, and such Monitor shall have, all rights, powers, and authority necessary to carry out the Monitor's duties and responsibilities, including, but not limited to, the following:
1. Respondent shall cooperate with any reasonable request of the Monitor and shall take no action to interfere with or impede the Monitor's ability to monitor Respondent's compliance with this Order;
 2. subject to any demonstrated legally recognized privilege, Respondent shall provide the Monitor full and complete access to personnel, books, documents, records kept in the ordinary course of business, facilities and technical information, and such other relevant information as the Monitor may reasonably request related to Respondent's compliance with this Order;

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3. Respondent shall deliver to the Monitor a copy of each report submitted to the Commission by such Respondent pursuant to the Order or the Consent Agreement;
4. The Monitor shall have authority to use the services of or employ, at the expense of Respondent, such consultants, accountants, attorneys and other representatives and assistants as are reasonably necessary to carry out the Monitor's duties and responsibilities;
5. Respondent shall indemnify the Monitor and hold the Monitor harmless against any losses, claims, damages, liabilities, or expenses arising out of, or in connection with, the performance of the Monitor's duties, including all reasonable fees of counsel, and other reasonable expenses incurred in connection with the preparations for, or defense of, any claim, whether or not resulting in any liability, except to the extent that such losses, claims, damages, liabilities, or expenses result from gross negligence, willful or wanton acts, or bad faith by Monitor; and
6. Respondent may require the Monitor and each of the Monitor's consultants, accountants, attorneys and other representatives and assistants to sign an appropriate confidentiality agreement related to Respondent's materials and information received in connection with the performance of the Monitor's duties,

Provided, however, that such agreement shall not restrict the Monitor from providing any information to the Commission or require the Monitor to report to the Respondent the substance of communications to or from the Commission or the Acquirer.

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- E. The Commission may, among other things, require the Monitor and each of the Monitor's consultants, accountants, attorneys and other representatives and assistants to sign an appropriate confidentiality agreement related to Commission materials and information received in connection with the performance of the Monitor's duties.
- F. The Commission may on its own initiative, or at the request of the Monitor, issue such additional orders or directions as may be necessary or appropriate to assure compliance with the requirements of this Order.
- G. If the Commission determines that the Monitor has ceased to act or failed to act diligently, the Commission may appoint a substitute Monitor. The Commission shall select the substitute Monitor, subject to the consent of Respondent, which consent shall not be unreasonably withheld. If Respondent has not opposed, in writing, including the reasons for opposing, the selection of any proposed substitute Monitor within ten (10) days after notice by the staff of the Commission to Respondent of the identity of any proposed substitute Monitor, Respondent shall be deemed to have consented to the selection of the proposed substitute Monitor.
- H. The Monitor appointed pursuant to this Order may be the same Person appointed as a Divestiture Trustee pursuant to the relevant provisions of this Order.
- I. The Monitor shall serve until the expiration of the Remedial Agreement under this Order, unless the Monitor's term is otherwise extended or limited by the Commission.

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IV.**IT IS FURTHER ORDERED** that:

- A. If Respondent has not fully complied with the obligations specified in Paragraph II of this Order, the Commission may appoint a Divestiture Trustee to enter a Remedial Agreement in a manner that satisfies the requirements of Paragraph II. In the event that the Commission or the Attorney General brings an action pursuant to § 5(l) of the Federal Trade Commission Act, 15 U.S.C. § 45(l), or any other statute enforced by the Commission, Respondent shall consent to the appointment of a Divestiture Trustee in such action. Neither the appointment of a Divestiture Trustee nor a decision not to appoint a Divestiture Trustee under this Paragraph shall preclude the Commission or the Attorney General from seeking civil penalties or any other relief available to it, including a court-appointed Divestiture Trustee, pursuant to § 5(l) of the Federal Trade Commission Act, or any other statute enforced by the Commission, for any failure by the Respondent to comply with this Order.
- B. If a Divestiture Trustee is appointed by the Commission or a court pursuant to Paragraph IV of this Order, Respondent shall consent to the following terms and conditions regarding the Divestiture Trustee's powers, duties, authority, and responsibilities:
 - 1. The Commission shall select the Divestiture Trustee, subject to the consent of Respondent, which consent shall not be unreasonably withheld. The Divestiture Trustee shall be a person with experience and expertise in acquisitions and divestitures. If Respondent has not opposed, in writing, including the reasons for opposing, the selection of any proposed Divestiture Trustee within ten (10) days after notice by the staff of the Commission to Respondent of the identity of any

Decision and Order

proposed Divestiture Trustee, Respondent shall be deemed to have consented to the selection of the proposed Divestiture Trustee. The Commission shall require the Divestiture Trustee to sign a customary confidentiality agreement.

2. Subject to the prior approval of the Commission, the Divestiture Trustee shall have the exclusive power and authority to license the Licensed Data and Licensed Historical Data.
3. Within ten (10) days after appointment of the Divestiture Trustee, Respondent shall execute a trust agreement that, subject to the prior approval of the Commission and, in the case of a court-appointed Divestiture Trustee, of the court, transfers to the Divestiture Trustee all rights and powers necessary to permit the Divestiture Trustee to license the Licensed Data and Licensed Historical Data and enter a Remedial Agreement in a manner that satisfies the requirements of Paragraph II of the Order.
4. The Divestiture Trustee shall have twelve (12) months from the date the Commission approves the trust agreement described in Paragraph IV.B.3. to accomplish the license and execute a Remedial Agreement, which shall be subject to the prior approval of the Commission. If, however, at the end of the twelve-month period, the Divestiture Trustee has submitted a plan to license or believes that the license can be achieved within a reasonable time, the divestiture period may be extended by the Commission, or, in the case of a court-appointed Divestiture Trustee, by the court; *provided, however*, the Commission may extend the divestiture period only two (2) times.
5. The Divestiture Trustee shall have full and complete access to the personnel, books and records relating to the data that are required to be

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licensed by this Order or to any other relevant information as the Divestiture Trustee may request. Respondent shall develop such financial or other information as the Divestiture Trustee may request and shall cooperate with the Divestiture Trustee. Respondent shall take no action to interfere with or impede the Divestiture Trustee's accomplishment of the license. Any delays in licensing caused by Respondent shall extend the time for the licensing under this Paragraph in an amount equal to the delay, as determined by the Commission or, for a court-appointed Divestiture Trustee, by the court.

6. The Divestiture Trustee shall use his or her best efforts to negotiate the most favorable price and terms available in each license that is submitted to the Commission, subject to Respondent's absolute and unconditional obligation to license at no minimum price. The license shall be made in the manner and to a Commission-approved Acquirer as required by this Order; *provided, however*, if the Divestiture Trustee receives bona fide offers from more than one acquiring entity, and if the Commission determines to approve more than one such acquiring entity, the Divestiture Trustee shall license to the acquiring entity selected by Respondent from among those approved by the Commission; *provided further, however*, that Respondent shall select such entity within five (5) business days of receiving notification of the Commission's approval.
7. The Divestiture Trustee shall serve, without bond or other security, at the cost and expense of Respondent, on such reasonable and customary terms and conditions as the Commission or a court may set. The Divestiture Trustee shall have the authority to employ, at the cost and expense of Respondent, such consultants, accountants, attorneys, investment bankers, business brokers, appraisers, and other representatives and assistants

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as are necessary to carry out the Divestiture Trustee's duties and responsibilities. The Divestiture Trustee shall account for all monies derived from the license and all expenses incurred. After approval by the Commission and, in the case of a court-appointed Divestiture Trustee, by the court, of the account of the Divestiture Trustee, including fees for his or her services, all remaining monies shall be paid at the direction of the Respondent, and the Divestiture Trustee's power shall be terminated. The compensation of the Divestiture Trustee shall be based at least in significant part on a commission arrangement contingent on the licensing of all Licensed Data and Licensed Historical Data.

8. Respondent shall indemnify the Divestiture Trustee and hold the Divestiture Trustee harmless against any losses, claims, damages, liabilities, or expenses arising out of, or in connection with, the performance of the Divestiture Trustee's duties, including all reasonable fees of counsel and other expenses incurred in connection with the preparation for, or defense of, any claim, whether or not resulting in any liability, except to the extent that such losses, claims, damages, liabilities, or expenses result from gross negligence, willful or wanton acts, or bad faith by the Divestiture Trustee.
9. If the Divestiture Trustee ceases to act or fails to act diligently, a substitute Divestiture Trustee shall be appointed in the same manner as provided in Paragraph IV.A. of this Order.
10. The Commission or, in the case of a court-appointed trustee, the court, may on its own initiative or at the request of the Divestiture Trustee issue such additional orders or directions as may be necessary or appropriate to accomplish the license required by this Order.

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11. The Divestiture Trustee shall report in writing to Respondent and the Commission every sixty (60) days concerning the Divestiture Trustee's efforts to accomplish the license.
12. Respondent may require the Divestiture Trustee to sign a customary confidentiality agreement; *provided, however*, such agreement shall not restrict the Divestiture Trustee from providing any information to the Commission.

V.**IT IS FURTHER ORDERED** that:

- A. The Remedial Agreement shall be incorporated by reference into this Order and made a part hereof. Further, nothing in the Remedial Agreement shall limit or contradict, or be construed to limit or contradict, the terms of this Order, it being understood that nothing in this Order shall be construed to reduce any rights or benefits of the Acquirer or to reduce any obligations of Respondent under a Remedial Agreement. Respondent shall comply with the terms of the Remedial Agreement, and a breach by Respondent of any term of the Remedial Agreement shall constitute a violation of this Order. To the extent that any term of the Remedial Agreement conflicts with a term of this Order such that Respondent cannot fully comply with both, Respondent shall comply with the term of this Order.
- B. Respondent shall include in the Remedial Agreement a specific reference to this Order and the remedial purposes thereof.
- C. Between the date the Commission grants approval of the Remedial Agreement and the date the Remedial Agreement becomes effective, Respondent shall not modify or amend any material term of the Remedial Agreement without the prior approval of the

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Commission. Further, any failure to meet any material condition precedent to closing (whether waived or not) shall constitute a violation of this Order.

- D. During the term of the Remedial Agreement, Respondent shall not modify (materially or otherwise) the Remedial Agreement without the Commission's prior approval pursuant to Rule §2.41(f), 16 C.F.R. §2.41(f).

VI.**IT IS FURTHER ORDERED** that:

- A. Respondent shall submit to the Commission and any Monitor appointed by the Commission:

1. Verified written reports:

- a. Within thirty (30) days after the date this Order becomes final and every sixty (60) days thereafter until sixty (60) days after termination of the Transition Period;
- b. On the first anniversary of the date on which this Order becomes final, and annually thereafter until one year after termination of the Remedial Agreement,

which reports shall set forth in detail the manner and form in which it intends to comply, is complying, and has complied with this Order and the Remedial Agreement since the filing of any previous compliance report, and shall, *inter alia*, describe the status of any transition project plan in a Remedial Agreement, and identify all DataQuick Customers who have provided notice of termination pursuant to Paragraph II above, when such customer provided notice of termination and whether the relevant contract has been terminated; and

Decision and Order

2. Written notice of Divestiture Date within ten (10) business days of the Divestiture Date; and
3. A copy of the following documents:
 - a. A Complaint filed in a court of competent jurisdiction by Respondent or the Acquirer that alleges breach of a Remedial Agreement;
 - b. Correspondence from legal representatives of Respondent to the Acquirer, wherein Respondent alleges breach of a Remedial Agreement; and
 - c. Correspondence from legal representatives of the Acquirer to Respondent, wherein the Acquirer alleges breach of a Remedial Agreement,

which documents shall be delivered to the Commission within ten (10) business days of being sent, filed or received by Respondent.

- B. For purposes of determining or securing compliance with this Order, and subject to any legally recognized privilege, and upon written request and upon five (5) days' notice to Respondent made to its principal United States offices, registered office of its United States subsidiary, or its headquarters address, the Respondent shall, without restraint or interference, permit any duly authorized representative of the Commission:
 1. Access, during business office hours of the Respondent and in the presence of counsel, to all facilities and access to inspect and copy all books, ledgers, accounts, correspondence, memoranda and all other records and documents in the possession or under the control of the Respondent related to compliance with this Order, which copying services shall be provided by the Respondent at the

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request of the authorized representative(s) of the Commission and at the expense of the Respondent; and

2. To interview officers, directors, or employees of the Respondent, who may have counsel present, regarding such matters.

VII.

IT IS FURTHER ORDERED that Respondent shall notify the Commission at least thirty (30) days prior to:

- A. Any proposed dissolution of Respondent;
- B. Any proposed acquisition, merger or consolidation of Respondent; or
- C. Any other change in Respondent, including, but not limited to, assignment and the creation, sale or dissolution of subsidiaries, if such change may affect compliance obligations arising out of this Order.

VIII.

IT IS FURTHER ORDERED that this Order shall terminate on May 20, 2024.

By the Commission, Commissioner McSweeney not participating.

Decision and Order

In re CoreLogic, Inc.

Confidential Appendix A

CoreLogic-RealtyTrac Agreement

**[Redacted From the Public Record Version, But Incorporated
By Reference]**

In re CoreLogic, Inc.

Appendix B

Monitor Agreement

In re CoreLogic, Inc.

Confidential Appendix B-1

**Monitor Agreement Exhibits A (Form of License Agreement)
and B (Fee Schedule)**

**[Redacted From the Public Record Version, But Incorporated
By Reference]**

Decision and Order

In re CoreLogic, Inc.**Appendix C****Notice of Termination Rights**

March __, 2014
[Company Name]
Attention: [Company Representative]
[Street Address]
[City, State, Zip]

Dear []:

On March [x], 2014, CoreLogic Solutions, LLC (“CoreLogic”) acquired DataQuick Information Systems, Inc. (“DataQuick”). To settle Federal Trade Commission (“FTC”) concerns arising from the acquisition, CoreLogic has agreed to enter into a consent order (“the Order”) with the FTC. A copy of the Order is available at [cite url].

Pursuant to the Order, CoreLogic is licensing assessor and recorder data and certain ancillary products to [Renwood RealtyTrac LLC (“RealtyTrac”) or other Acquirer] so that [RealtyTrac or other Acquirer] can offer you the bulk data and related products that DataQuick provided customers through DataFile Services License Agreements (“License Agreements”). The Order also requires CoreLogic to allow certain customers, including you, to terminate their License Agreements with DataQuick, in whole or in part, in order to obtain bulk assessor and recorder data from [RealtyTrac or other Acquirer].

If you wish to terminate your License Agreement, you must send a written termination notice to CoreLogic at least one-hundred and eighty (180) days before the date you want the termination to go into effect. Your written notice must state you are terminating your license agreement to begin obtaining bulk assessor and recorder data from [RealtyTrac or other Acquirer]. You may extend the effective date of, or revoke, your termination at any time before the termination takes effect.

Analysis to Aid Public Comment

You may exercise this termination right at any time during the term of your License Agreement, regardless of the termination date specified in your License Agreement or in any existing amendments to the License Agreement. CoreLogic will not charge you any fee for exercising this early termination right. Further, the Order prohibits CoreLogic from lessening its service to you or retaliating against you for exercising the right to terminate your License Agreement or obtain bulk assessor or recorder data from [RealtyTrac or other Acquirer].

If you have any questions concerning the FTC's Order, you may contact Mitchell S. Pettit, 33 Crimson Rose, Irvine, CA 92603, Tel (XXX) XXX-XXXX, Email mpettit@mspstrategic.com, who has been named Monitor under the terms of the Order. Your discussions with the Monitor will not be shared with CoreLogic or [RealtyTrac or other Acquirer] without your permission.

Thank you for your attention to this matter.

Sincerely,

[CoreLogic Contact]

[Contact Title]

**ANALYSIS OF CONSENT ORDER TO AID PUBLIC
COMMENT**

INTRODUCTION

The Federal Trade Commission ("Commission") has accepted from CoreLogic, Inc. ("CoreLogic"), subject to final approval, an Agreement Containing Consent Order ("Consent Agreement") designed to remedy the anticompetitive effects resulting from CoreLogic's proposed acquisition of certain assets and other interests from TPG VI Ontario 1 AIV L.P. ("TPG"). Under the terms of the Decision and Order ("Order") contained in the

Analysis to Aid Public Comment

Consent Agreement, CoreLogic must grant Renwood RealtyTrac LLC (“RealtyTrac”) a license for national assessor and recorder bulk data that will restore to the market a third competitor that will act independently of CoreLogic.

The Consent Agreement has been placed on the public record for 30 days to solicit comments from interested persons. Comments received during this period will become part of the public record. After 30 days, the Commission will again review the Consent Agreement and the comments received, and will decide whether it should withdraw from the Consent Agreement, modify it, or make the Order final.

Pursuant to a Purchase and Sale Agreement dated June 30, 2013, CoreLogic proposes to acquire certain assets and other interests from TPG, including its DataQuick Information Systems, Inc. (“DataQuick”) national real property public records bulk data business, for \$661 million (the “acquisition”). The Commission’s Complaint alleges that the acquisition, if consummated, would violate Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45, by substantially lessening competition in the market for national assessor and recorder bulk data.

THE PARTIES

CoreLogic, a publicly-traded company headquartered in Irvine, California, provides real property information, analytics, and services through a host of products tailored to the needs of customers in the lending, investment, and real estate industries. As part of its Data and Analytics segment, CoreLogic collects, maintains, and offers licenses for national assessor and recorder bulk data.

Among its various assets and interests, TPG wholly owns Decision Insight Information Group, which owns DataQuick. DataQuick provides real property information, analytics, and services to the real estate, mortgage lending, and secondary investor markets in the United States. As part of its business, DataQuick offers licenses for national assessor and recorder bulk data.

Analysis to Aid Public Comment

THE RELEVANT MARKET

The relevant product market in which to analyze the effects of the acquisition is the market for national assessor and recorder bulk data. National assessor and recorder bulk data consist of aggregated current and historical assessor and recorder data in bulk format for the vast majority of properties across the United States. National assessor and recorder bulk data offer data for all properties in covered jurisdictions in a standardized form.

Assessor and recorder data provide information regarding ownership, status, and value of properties. Assessor data consist of public record information concerning characteristics of individual real property parcels, including, but not limited to, square footage, number of bedrooms and bathrooms, sales information, history, and assessed value. Assessor data are often referred to as tax assessor or tax roll data. Recorder data consist of public record information abstracted from transactions related to real property, including, but not limited to, deeds, mortgages, liens, assignments, and foreclosures, the parties to the transaction, transfer tax, and purchase price. Assessor and recorder data and information are available from local (county or county-equivalent) government offices.

Customers integrate national assessor and recorder bulk data into proprietary programs and systems for internal analyses or to create value-added products using the data, such as risk and fraud management tools, valuation models, and consumer-oriented property websites. National assessor and recorder bulk data customers cannot use regional assessor and recorder bulk data to create reliable internal analyses or value-added products. Regional bulk data providers offer data for certain limited geographic areas in the United States. National bulk data customers could not combine the data offered by regional firms to meet their needs because it would not provide the required geographic scope.

The relevant geographic market in which to assess the competitive effects of the acquisition is the world. The relevant product is provided through electronic file transfer technology and

Analysis to Aid Public Comment

can be supplied from anywhere in the world, notwithstanding the more limited geographic scope of the product itself.

THE STRUCTURE OF THE MARKET

The acquisition would significantly increase concentration in an already highly concentrated market for national assessor and recorder bulk data. CoreLogic and DataQuick are two of the three firms that offer national assessor and recorder bulk data. Black Knight Financial Services, Inc. (formerly Lender Processing Services, Inc.) (“Black Knight”) is the only other competitor. DataQuick obtained historical data through a prior acquisition and since 2004 has obtained on-going national assessor and recorder bulk data primarily through a license with CoreLogic. The license allows DataQuick to re-license the data in bulk and act independently of CoreLogic. DataQuick aggressively competes head-to-head against CoreLogic and Black Knight to furnish national assessor and recorder bulk data to customers, offering lower prices and less restrictive license terms than its competitors.

ENTRY CONDITIONS

Without the Consent Agreement, entry or expansion into the market for national assessor and recorder bulk data would not occur in a timely, likely, or sufficient manner to deter or negate the anticompetitive effects of the acquisition. In order to compete effectively in the market for national assessor and recorder bulk data, a firm typically must have several years of national historical data and an ability to provide go-forward national data. It would be cost-prohibitive for a potential entrant to collect the necessary historical and go-forward data.

Firms currently offering assessor and recorder bulk data on a regional basis would not expand their historical and on-going offerings in a timely manner to provide national assessor and recorder bulk data. Regional firms could not combine their offerings to provide national assessor and recorder bulk data customers with the necessary geographic scope of data they require, nor is it likely that a firm combining the offerings of all of the regional firms could expand to offer national coverage in a timely enough manner to constrain any exercise of market power.

Analysis to Aid Public Comment

Finally, a potential entrant without its own historical data would not be able to enter the market for national assessor and recorder bulk data by obtaining a license from CoreLogic or Black Knight. Neither CoreLogic nor Black Knight has any incentive to offer such a license to a potential entrant that will compete against them. DataQuick has been able to obtain a license because it is unlike any other potential licensee; it owns historical data and could credibly threaten to enter the market for national assessor and recorder bulk data without a license.

EFFECTS OF THE ACQUISITION

The acquisition may substantially lessen competition in the market for national assessor and recorder bulk data. The acquisition will eliminate actual, direct, and substantial competition between CoreLogic and DataQuick. Further, the acquisition may increase the likelihood and degree of coordination between CoreLogic and the only other remaining competitor, Black Knight, and the likelihood that CoreLogic will exercise market power unilaterally post-acquisition.

THE DECISION AND ORDER

The Order resolves the competitive concerns raised by the acquisition by restoring to the market a third competitor. The Order requires CoreLogic to grant RealtyTrac a license that allows it to replicate DataQuick's data offerings and competitive position. The Order does this by requiring CoreLogic to provide RealtyTrac with the data, information, support, and access to customers it needs to enter successfully and compete in the market for national assessor and recorder bulk data. RealtyTrac has the relevant industry experience, reputation, and resources to enter the relevant market successfully under the terms of the Order. RealtyTrac operates an online marketplace of foreclosure real property listings and provides national foreclosure data and services to real estate consumers, investors, and professionals. As part of its business, RealtyTrac collects, maintains, and offers licenses for foreclosure data for properties throughout the United States.

Analysis to Aid Public Comment

The license required by the Order allows RealtyTrac to step into the shoes of DataQuick as CoreLogic's licensee. The Order requires that CoreLogic grant a license to RealtyTrac for national assessor and recorder bulk data of the "same scope and quality" as DataQuick provides its customers today. The Order requires that the license include both current and historical data and several ancillary derived data sets that DataQuick provides. The Order requires that CoreLogic offer the license to RealtyTrac for no less than 5 years, and provides that a Monitor appointed by the Commission may, if needed, extend the license for two additional one-year terms. The Commission must either approve, or waive its right to approve, any proposed modification to the license.

The license terms and post-termination rights are substantially similar to those in DataQuick's license with CoreLogic, putting RealtyTrac in the same competitive position relative to CoreLogic as DataQuick is today. The license allows RealtyTrac to offer customers not only the data, but also the services, that CoreLogic and DataQuick offer to customers. Further, the license permits RealtyTrac to re-license the data in bulk and positions RealtyTrac to remain in the relevant market following the license's termination.

The Order includes additional provisions that provide RealtyTrac with the information and support it needs to begin offering bulk data licenses to customers as seamlessly and quickly as possible following Commission approval. The Order requires CoreLogic to provide RealtyTrac with access to information regarding customers and data management, including the information necessary to provide data to customers in the same manner as DataQuick. Moreover, the Order requires that CoreLogic provide RealtyTrac with access to technical support for 18 months to assist its management and provision of the data. Lastly, the Order helps RealtyTrac, at its option, hire and retain former DataQuick employees by requiring CoreLogic to waive certain non-compete and non-disclosure agreements during the first year and prohibiting CoreLogic from attempting to hire DataQuick employees away from RealtyTrac for two years.

The Order also requires CoreLogic to provide certain DataQuick customers with the opportunity to terminate their

Analysis to Aid Public Comment

contracts early and switch to RealtyTrac. These early termination provisions will give RealtyTrac more customers to compete for and will ensure that all DataQuick customers will be able to take advantage of RealtyTrac's entry during the first three years RealtyTrac is in the market. CoreLogic is required to permit these customers to terminate their agreements only in order to switch to RealtyTrac. Further, CoreLogic can require the customers to provide 180-days' notice of termination, although the Order requires CoreLogic to allow a customer to revoke or postpone the effective date of its termination notice at any time. CoreLogic must provide written notice to each customer who can terminate an existing contract under the Order and is prohibited from imposing penalties on or retaliating against customers that exercise their early termination rights.

There are three groups of customers that CoreLogic must allow to terminate their license agreements with 180-days' notice in order to switch to RealtyTrac. The first are DataQuick customers who renewed a DataQuick contract or switched to CoreLogic between July 1, 2013, and the acquisition date. The second are DataQuick customers who enter into or renew their licenses during the first nine months following the acquisition. The final group of DataQuick customers includes those who, prior to the acquisition, executed licenses with DataQuick that expire on or after March 31, 2017. The Order permits these customers to switch to RealtyTrac on or after March 31, 2016.

To ensure CoreLogic's compliance with the Order, the Order provides for the appointment of a Monitor as well as a Divestiture Trustee and imposes certain compliance requirements on CoreLogic. The Order appoints Mitchell S. Pettit as Monitor to oversee CoreLogic's ongoing compliance with their obligations and responsibilities under the Order. The Order also allows the Commission to appoint a Divestiture Trustee to assign, grant, license, divest, transfer, deliver, or otherwise convey the relevant data and information. Further, CoreLogic must submit periodic compliance reports and give the Commission prior notice of certain events that might affect its compliance obligations arising from the Order. Lastly, the Order terminates after 10 years.

Analysis to Aid Public Comment

The purpose of this analysis is to facilitate public comment on the Consent Agreement, and it is not intended to constitute an official interpretation of the Order or to modify its terms in any way.

Complaint

IN THE MATTER OF

AKORN, INC.
AND
HI-TECH PHARMACAL CO., INC.

CONSENT ORDER, ETC. IN REGARD TO ALLEGED VIOLATIONS OF
SECTION 5 OF THE FEDERAL TRADE COMMISSION ACT AND
SECTION 7 OF THE CLAYTON ACT

Docket No. C-4452; File No. 131 0221
Complaint, April 11, 2014 – Decision, June 16, 2014

This consent order addresses the \$640 million acquisition by Akorn Enterprises, Inc. of certain assets of Hi-Tech Pharmacal Co., Inc. The complaint alleges that the Acquisition, if consummated, would violate Section 7 of the Clayton Act and Section 5 of the Federal Trade Commission Act by lessening current and/or future competition in U.S. markets for (1) generic Ciloxan drops, (2) generic Ilotycin ointment, (3) generic Quixin drops, (4) generic Xylocaine jelly, and (5) generic EMLA cream. The consent order requires the parties to divest either Akorn's or Hi-Tech's rights and assets related to three generic ophthalmic prescription products: (1) generic Ciloxan drops, (2) generic Ilotycin ointment, and (3) generic Quixin drops, and two topical anesthetic products, (4) generic Xylocaine jelly, and (5) EMLA cream to Watson Laboratories, Inc., a wholly-owned subsidiary of Actavis plc.

Participants

For the *Commission*: Erin L. Craig, Lisa D. DeMarchi Sleigh,
and David Von Nirschl.

For the *Respondents*: Ian Conner and Christine Wilson,
Kirkland & Ellis LLP; and Benjamin Bleiberg and David Evans,
Chadbourne & Parke LLP.

COMPLAINT

Pursuant to the Clayton Act and the Federal Trade Commission Act, and its authority thereunder, the Federal Trade Commission ("Commission"), having reason to believe that Respondent Akorn, Inc. ("Akorn"), a corporation subject to the jurisdiction of the Commission, has agreed to acquire Hi-Tech Pharmacal Co., Inc. ("Hi-Tech"), a corporation subject to the jurisdiction of the Commission, in violation of Section 5 of the