

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Edith Ramirez, Chairwoman
Julie Brill
Maureen K. Ohlhausen
Joshua D. Wright

_____)	
In the Matter of)	
)	
CORELOGIC, INC.,)	Docket No. C-
a corporation.)	
)	
_____)	

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 Ontario 1 AIV L.P. (“TPG”), including its DataQuick Information Systems (“DataQuick”) national real property public record bulk data business, 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 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; and

Respondent, its attorneys, and counsel for 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 acknowledgment of liability for any civil or criminal violation of the Federal Trade Commission Act, 15 U.S.C. § 45, or any other law, rule, or regulation of the Federal Trade Commission, or any other law, rule, or regulation of the Federal Trade Commission, or any other law, rule, or regulation of the Federal Trade Commission.

the Commission hereby makes the following jurisdictional findings and issues the following Decision and Order ("Order"):

1. Respondent is a corporation organized under 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

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.
- 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

P.

- V. "Remedial Agreement" means the CoreLogic-RealtyTrac Agreement if approved by the Commission, or any other agreement between 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 starting 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 in the manner in which the Licensed Data and Licensed Historical Data was licensed, 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 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 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 requirements 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 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 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
 7. Respondent shall license and provide 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, *as necessary* to achieve the remedial purposes of this Order, authorize up to (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 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 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 Acquirer and approved by the Commission in the Remedial Agreement.
- D. Not later than fifteen (15) days after 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 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 acquired by this Order and the Remedial Agreement. As part of this obligation, Respondent shall, on or before the date 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 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 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 Contract with Assessor Data Recorder Data executed between the Acquisition Date and (9) months after the Divestiture Date,

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 III of this Order; or
2. Retaliate against or take any adverse action to the economic interests of any DataQuick Customer that exercises 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 customers 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;
 - 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 or 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 with 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 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 targeted specifically at 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 Order Data and to remedy the lessening of competition alleged in the Commission's Complaint.

- 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 C

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

- 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 relating 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

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 (5) business days of receiving notification of the Commission's approval.

7. The Divestiture Trustee shall serve, with bond or other security, at the cost and expense of Respondent, on such reasonable 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 as are necessary to carry 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

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 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 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 and 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

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 representative of Respondent to the Acquirer, wherein Respondent alleges breach of a Remedial Agreement; and
 - c. Correspondence from legal representative 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 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 request of the authorized representative(s) of the Commission and 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 ten (10) years from the date on which this Order is issued.

By the Commission.

Donald S. Clark
Secretary

SEAL:
ISSUED:

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]

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 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”) 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.

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 Order, you may contact Mitchell S. Pettit, 33 Crimson Rose, Irvine, CA 92603, Tel (XXX) XXXXXX, 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]