UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION OFFICE OF ADMINISTRATIVE LAW JUDGES

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In the Matter of

1-800 CONTACTS, INC., a corporation. Docket No. 937

<u>COMPLAINT COUNSEL'S REQUEST FOR REPLY BRIEF TO RESPONDENT'S</u> <u>OPPOSITION TO COMPLAINT COUNSEL'S MOTION TO DISREGARD AND</u> <u>STRIKE CERTAIN PORTIONS OF THE REPORT AND TESTIMONY OF DR.</u> <u>KENT VAN LIERE</u>

By this motion, Complaint Counsel respectfully requests the Court to grant leave to file a short reply brief to Respondent's Opposition to the Motion to Disregard and Strike Certain Portions of the Report and Testimony of Dr. Kent Van Liere, Respondent's survey expert.

- The Court is authorized under FTC Practice Rule 3.22(d) to allow a reply brief "where the parties wish to draw the Administrative Law Judge's or the Commission's attention to recent important developments or controlling authority that could not have been raised earlier in the party's principal brief." 16 C.F.R. § 3.22(d). Here, Complaint Counsel wishes to respond to two factual misstatements brought to light for the first time in Respondent's Opposition.
- 2. First, Respondents identify and attempt to use record evidence <u>not</u> admitted for the truth of the matter in order to support its brief
- Second, Respondents mischaracterize Dr. Jacoby's testimony to draw an inaccurate parallel between his survey construction and Dr. Van Liere's, in order to excuse Dr. Van Liere's violation of the scheduling order.

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- Complaint Counsel respectfully submits that this issue could not have been addressed in Complaint Counsel's principal brief, and should not go unrebutted.
- 5. Complaint Counsel's proposed Reply brief complies with the timing and word count requirements set forth in Rule 3.22 (c)-(d).

For these reasons, as set forth in the proposed Reply, Complaint Counsel respectfully requests leave to file its Reply pursuant to Rule 3.22.

Dated: May 30, 2017

Respectfully submitted,

/s/ Daniel Matheson Daniel J. Matheson Thomas J. Dillickrath Kathleen M. Clair Barbara Blank Thomas H. Brock Gustav P. Chiarello Joshua B. Gray Nathaniel M. Hopkin Mika Ikeda Aaron Ross Charlotte S. Slaiman Charles Loughlin Geoffrey M. Green

Counsel Supporting the Complaint Bureau of Competition Federal Trade Commission Washington, DC 20580 Telephone: (202) 326-2075 Facsimile: (202) 326-2884 Electronic Mail: <u>dmatheson@ftc.gov</u>

UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION OFFICE OF ADMINISTRATIVE LAW JUDGES

In the Matter of

1-800 CONTACTS, INC., a corporation.

Docket No. 9372

COMPLAINT COUNSEL'S REPLY TO RESPONDENT'S OPPOSITION TO COMPLAINT COUNSEL'S MOTION TO DISREGARD AND STRIKE CERTAIN PORTIONS OF THE REPORT AND TESTIMONY OF DR. KENT VAN LIERE

Complaint Counsel files this pay brief pursuant to Rule 22(d) in order to rebut two

significant misrepresentations contained insported ent's opposition. Complaint Counsel could

not have been aware that Respondent would errolyerausse these issues that time it filed its

Motion, and their substance is important enoting they should not stand unrebutted.

First, Complaint Counsel's motion is premised Don Van Liere's failureto disclose the

SERPs he relied upon in construgtmoth the test and control version of his survey. One of

Respondent's arguments in opposition is that Complaint Counsel could have printed out its own

SERPs or reviewed SERPs already in the record:

Complaint Counsel and their experts could have printed their own search pages if they so desired. Moreover, the trial record has many examples of search results for the term "1-800 Contacts" and its variants. (RX0352 (Decl. of Lisa A. Clark); RX0310, RX0311, RX0312, RX0313, RX0314 (search results pages)), which

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disregard this inappropriate use of exhibits admitted only for limited purposes. In any event, this argument is a non sequitures the issue is not whether Complaint Counsel could print its own SERPs or whether there are any SERPs in the record. The point **Respo**ndent did not produce the SERPS that Dr. Van Liere relied upgars it was required to do.

Second, Respondents erroneously claim that Cointip@aounsel failed tourn over all the SERPs that Complaint Counsel's expert, DcobaJacoby, viewed when creating his survey. But unlike Dr. Van Liere, Dr. Jacoby did indetendin over the SERP hrelied on in creating his survey. Those materials were provided to Respondent's counsel on February 6, 2017 (and were accessed by counsel that same day). Perhaginezanot of this, Respondent responds to a non-issue: they characterize the issuewhether they were required to turn over materials Dr. Van Liere (or Dr. Jacoby) "viewed" when designing their surveys, apposed to those actually relied on. No one is questioning the former: it is ontigaterials "relied upon" that are subject to the Court's scheduling order. Scheduling Order (b)(9And, contrary toRespondent's assertion, the materials relied upon by Dr. Jacoby werecanted in his Report (Jacoby Rep. at 5 (item 31)), produced to Respondent in a timely fashand, in fact, usebly Respondent (RX-1993) in cross-examining Dr. Jacoby at trial. By costraRespondent's expert, Dr An Liere, failed to produce the SERPs he relied upon, making it implus for Complaint Counsel to question him fully on the materials he used develop his survey in this case.

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Dated: May 30, 2017

Respectfully submitted,

/s/ Daniel Matheson

Daniel J. Matheson Thomas J. Dillickrath Kathleen M. Clair Barbara Blank Thomas H. Brock Gustav P. Chiarello

CERTIFICATE FOR ELECTRONIC FILING

I certify that the electronic copy sent to the commission is a true and correct copy of the paper original and that I posspaper original of the signed document that is available for reviewy the parties and the adjudicator.

May 30, 2017

By: <u>/s/ Daniel J. Matheson</u> Attorney