

- (c) all rights to seek judicial review or otherwise to challenge or contest the validity of the Order entered pursuant to this agreement; and
- (d) any claim under the Equal Access to Justice Act.

5. This agreement shall not become a part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission, it, together with the draft of complaint contemplated thereby, will be placed on the public record for a period of sixty (60) days and information in respect thereto publicly released. The Commission thereafter may either withdraw its acceptance of this agreement and so notify the Proposed Respondents, in which event it will take such action as it may consider appropriate, or issue and serve its complaint (in such form as the circumstances may require) and decision in disposition of the proceeding.

6. This agreement is for settlement purposes only and does not constitute an admission by Proposed Respondents that the law has been violated as alleged in the draft of complaint here attached, or that the facts as alleged in the draft complaint, other than jurisdictional facts, are true.

7. This agreement contemplates that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of § 2.34 of the Commission's Rules of Practice, the Commission may, without further notice to the Proposed Respondents, (1) issue its complaint corresponding in form and substance with the draft of the complaint here attached and its decision containing the following Order to cease and desist in disposition of the proceeding, and (2) make information public in respect thereto. When so entered, the Order to cease and desist shall have the same force and effect as other orders. The Order may be altered, modified, or set aside in the same manner and within the same time provided by statute for other orders. The Order shall become final upon service. Delivery by the U.S. Postal Service of the complaint and decision containing the agreed-to Order to Proposed Respondents' addresses as stated in this agreement shall constitute service. Proposed Respondents waive any right they may have to any other manner of service. The complaint may be used in construing the terms of the Order, and no agreement, understanding, representation, or interpretation not contained in the Order or agreement may be used to vary or contradict the terms of the Order.

8. Proposed Respondents have read the draft complaint and Order contemplated hereby. They understand that once the Order has been issued, they will be required to file one or more compliance reports showing that they have fully complied with the Order. Proposed Respondents further understand that they may be

liable for civil penalties in the amount provided by law for each violation of the Order after it becomes final.

ORDER

I.

For the purposes of this Order:

A. "Respondents" mean Federal News Service Group, Inc., its subsidiaries, divisions, and groups and affiliates controlled by Federal News Service Group, Inc., its successors and assigns, and its directors, officers, employees, agents, and representatives; Federal News Service, its subsidiaries, divisions, and groups and affiliates controlled by Federal News Service, its successors and assigns, and its directors, officers, employees, agents, and representatives; and Cortes W. Randell, an individual, his employees, agents, and representatives, and entities controlled by him.

B. "Reuters" means Reuters America Inc., its directors, officers, representatives, delegates, agents, employees, successors, assigns and its subsidiaries and their successors and assigns.

C. "News transcripts" mean fast turnaround verbatim transcripts of statements made by governmental officials or others covering a variety of news events or individual news events or parts thereof that are usually but not always produced within three (3) hours of the event and transmitted in any manner to resellers and customers in the United States. The definition of "news transcripts" does not include the "Daybook", a daily calendar of news events not containing news transcripts, which is sold by Reuters to FNS.

D. "News Transcript Provider" means any person or entity which produces news transcripts, by itself or through an arrangement by which a third party produces news transcripts exclusively for that person or entity, and markets and sells such news transcripts as a daily news service on a subscription basis.

II.

IT IS ORDERED that Respondents, directly, indirectly, or through any corporate or other device, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from entering into, attempting to enter into, or continuing or attempting to continue, any combination, agreement or understanding, either express or

implied, with any News Transcript Provider to allocate or divide markets or customers with respect to news transcripts.

III.

IT IS FURTHER ORDERED that Respondents, directly, indirectly, or through any corporate or other device, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from entering into, continuing, or renewing any agreement between Respondents and Reuters that prevents Reuters from in any way competing with Respondents for the production, marketing or sale of news transcripts.

IV.

IT IS FURTHER ORDERED that for five (5) years from either the date this Order becomes final or July 31, 1995, whichever is later, Respondents directly or indirectly, or through any corporate or other device, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do cease and desist from entering into, continuing, or renewing any agreements with Reuters providing for the supply of news transcripts or the purchase or sale of news transcript customer contracts or accounts.

PROVIDED that nothing in this Order shall prohibit Respondents from:

A. Selling a subscription for news transcripts to Reuters for Reuters internal use but not for resale; and

B. Contracting with Reuters for Reuters to supply Respondents with Reuters' Daybook.

V.

IT IS FURTHER ORDERED that Respondents, directly or indirectly, or through any corporate or other device, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

A. Entering into, attempting to enter into, maintaining, enforcing, or attempting to enforce, any agreements or understandings with any competitor in the production, distribution, or sale of news transcripts, or any purchaser or reseller of news transcripts which is directly or indirectly supplied by Respondents, that fix, establish, control, or

maintain resale prices or resale price levels for news transcripts; or

B. Requiring, coercing, or otherwise pressuring any competitor in the production, distribution or sale of news transcripts, or any purchaser or reseller of news transcripts which is directly or indirectly supplied by Respondents, to maintain, adopt, or adhere to any resale price or resale price level for news transcripts.

VI.

IT IS FURTHER ORDERED that Respondents shall:

A. Within thirty (30) days after the date this Order becomes final, distribute a copy of this Order and complaint to each of their employees and news transcript resellers.

B. Within ninety (90) days after the date this Order becomes final, and annually thereafter for five (5) years on the anniversary of the date this Order becomes final, and at such other times as the Commission may, by written notice to the Respondents require, file a verified written report with the Commission setting forth in detail the manner and form in which the Respondents have complied and are complying with this Order.

C. Maintain and make available to Commission staff for inspection and copying upon reasonable notice, records adequate to describe in detail any action taken in connection with the activities covered by this Order.

D. Notify the Commission at least thirty (30) days prior to any proposed change in the corporate Respondent such as dissolution, assignment or sale resulting in the emergence of a successor corporation, or the creation or dissolution of subsidiaries, or any other change in Respondents which may affect compliance obligations arising out of this Order.

VII.

IT IS FURTHER ORDERED that this Order shall terminate as follows:

A. With respect to Federal News Service Group, Inc., this Order shall terminate twenty (20) years from the date this Order becomes final.

B. With respect to Cortes W. Randell, this Order shall terminate twenty (20) years from the date this Order becomes final, unless Cortes W. Randell totally ceases and does not resume his participation in the news transcript business in any capacity, in which case this Order shall terminate five (5) years from the date he ceased participating in the business.

Signed this 20th day of April, 1995

FEDERAL TRADE COMMISSION
BUREAU OF COMPETITION

FEDERAL NEWS SERVICE GROUP,
INC.

By: L. Barry Costilo
L. Barry Costilo
Attorney

By: Cortes W. Randell
Cortés W. Randell
President, Federal News
Service Group, Inc., and
as an individual

Cecelia M. Waldeck
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