

valued at \$1.23 million, and state environmental projects valued at \$1.5 million.

The Department of Justice will receive for a period of thirty (30) days from the date of this publication comments relating to the Consent Decree. Comments should be addressed to the Assistant Attorney General, Environment and Natural Resources Division, and either e-mailed to [pubcomment-ees.enrd@usdoj.gov](mailto:pubcomment-ees.enrd@usdoj.gov) or mailed to P.O. Box 7611, U.S. Department of Justice, Washington, DC 20044-7611, and should refer to *United States & Commonwealth of Kentucky v. Lexington Fayette Urban County Government*, Civil Action No. 5:06-cv-00386-KSF, D.J. Ref. 90-5-1-1-08858.

The Consent Decree may be examined at the Office of the United States Attorney for the Eastern District of Kentucky, 260 West Vine Street, Lexington, KY 40507, and at the Region 4 Office of the Environmental Protection Agency, Atlanta Federal Center, 61 Forsyth Street, SW., Atlanta, GA 30303. During the public comment period, the Consent Decree may also be examined on the following Department of Justice Web site, to: [http://www.usdoj.gov/enrd/Consent\\_Decrees.html](http://www.usdoj.gov/enrd/Consent_Decrees.html). A copy of the Consent Decree may also be obtained by mail from the Consent Decree Library, P.O. Box 7611, U.S. Department of Justice, Washington, DC 20044-7611 or by faxing or e-mailing a request to Tonia Fleetwood ([tonia.fleetwood@usdoj.gov](mailto:tonia.fleetwood@usdoj.gov)), fax no. (202) 514-0097, phone confirmation number (202) 514-1547. In requesting a copy of the Consent Decree exclusive of appendices from the Consent Decree Library, please enclose a check in the amount of \$24.50 (25 cents per page reproduction cost) payable to the U.S. Treasury or, if by e-mail or fax, forward a check in that amount to the Consent Decree Library at the stated address. To obtain copies of the appendices to the Consent Decree, which are approximately 1,800 pages, please contact Tonia Fleetwood regarding the total cost of copying appendices, at 25 cents per page.

**Henry S. Friedman,**

*Assistant Chief, Environmental Enforcement Section, Environment and Natural Resources Division.*

[FR Doc. E8-5671 Filed 3-20-08; 8:45 am]

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## DEPARTMENT OF JUSTICE

### Antitrust Division

#### **United States v. The Thomson Corp. & Reuters Group PLC; Proposed Final Judgment and Competitive Impact Statement**

Notice is hereby given pursuant to the Antitrust Procedures and Penalties Act, 15 U.S.C. 16(b)-(h), that a proposed Final Judgment, Stipulation and Competitive Impact Statement have been filed with the United States District Court for the District of Columbia in *United States of America v. The Thomson Corp.* and Reuters Group PLC, Civil Action No. 1:08-cv-00262. On February 19, 2008, the United States filed a Complaint alleging that the proposed acquisition by The Thomson Corporation of Reuters Group PLC would violate section 7 of the Clayton Act, 15 U.S.C. 18. The proposed Final Judgment, filed the same time as the Complaint, requires The Thomson Corporation to divest a copy of its WorldScope fundamentals product, along with certain other assets, and requires Reuters Group PLC to divest copies of its Estimates and Aftermarket (Embargoed) Research Database product, along with certain other assets.

Copies of the Complaint, proposed Final Judgment and Competitive Impact Statement are available for inspection at the Department of Justice, Antitrust Division, Antitrust Documents Group, 325 7th Street, NW., Room 215, Washington, DC 20530 (telephone: 202-514-2481), on the Department of Justice's Web site at: <http://www.usdoj.gov/atr>, and at the Office of the Clerk of the United States District Court for the District of Columbia. Copies of these materials may be obtained from the Antitrust Division upon request and payment of the copying fee set by Department of Justice regulations.

Public comment is invited within 60 days of the date of this notice. Such comments, and responses thereto, will be published in the **Federal Register** and filed with the Court. Comments should be directed to James Tierney, Chief, Networks and Technology Section, Antitrust Division, Department of Justice, 600 E. Street NW., Suite 9500,

Washington, DC 20530, (telephone: 202-307-6200).

**Patricia A. Brink,**

*Deputy Director of Operations, Antitrust Division.*

#### **United States District Court for the District of Columbia**

United States of America, Department of Justice, Antitrust Division, 600 E Street NW., Suite 9500, Washington, DC 20530, Plaintiff, v. The Thomson Corporation, Metro Center, I Station Place, Stamford, CT 06902, and Reuters Group, PLC, The Reuters Building, Canary Wharf, London E14 5EP, United Kingdom, Defendants.

*Case:* 1:08-cv-002 2.

*Assigned To:* Hogan, Thomas F.

*Assign. Date:* 0211912008.

*Description:* Antitrust.

### Complaint

The United States of America, acting under the direction of the Attorney General of the United States, brings this civil antitrust action against The Thomson Corporation ("Thomson") and Reuters Group PLC ("Reuters") to obtain equitable relief to prevent Thomson's proposed acquisition of Reuters, and to obtain other relief as appropriate. The United States alleges as follows:

#### **I. Nature of the Action**

1. On May 15, 2007, Thomson and Reuters signed an agreement to combine the two companies, with Thomson to control approximately 70% of the combined businesses. The cash and stock transaction valued Reuters at \$17.2 billion.

2. Thomson and Reuters both create and distribute financial news and data, including fundamentals data, earnings estimates data, and aftermarket research reports. Thomson and Reuters are two of the three largest providers of financial data worldwide to institutions such as investment banks and trading firms. More particularly, Thomson and Reuters are two of the four largest suppliers of fundamentals data to institutions worldwide, two of the three largest suppliers of earnings estimates data to institutions worldwide, and the two largest distributors of aftermarket research reports worldwide.

3. The United States brings this action to prevent the proposed acquisition of Reuters by Thomson because it would substantially lessen competition in the distribution and sale of fundamentals data, earnings estimates data, and aftermarket research reports in violation of section 7 of the Clayton Act, 15 U.S.C. 18.

## II. Parties to the Proposed Acquisition

4. Thomson is a Canadian corporation with its principal place of business in Stamford, Connecticut. Thomson is comprised of five business divisions: Legal, Financial, Tax & Accounting, Scientific, and Healthcare. Thomson Financial distributes and sells, among other financial products, the relevant products—fundamentals data, earnings estimates data, and aftermarket research reports.

5. Thomson is one of the three largest distributors of financial data to institutional users in the world. Thomson is one of the three largest distributors of fundamentals data and is the largest distributor of earnings estimates data and aftermarket research reports. In 2006, Thomson reported company-wide revenues of approximately \$6.6 billion, with Thomson Financial accounting for approximately \$2 billion.

6. Reuters is a United Kingdom public limited company with its principal place of business in London, England. Reuters distributes and sells, among other financial products, the relevant products—fundamentals data, earnings estimates data, and aftermarket research reports.

7. Reuters is also one of the three largest distributors of financial data to institutional users in the world. Reuters is one of the four largest distributors of fundamentals data in the world, the second largest distributor of earnings estimates data, and the second largest distributor of aftermarket research reports. In 2006, Reuters reported company-wide revenues of approximately \$5 billion.

## III. Jurisdiction and Venue

8. Plaintiff United States brings this action under section 15 of the Clayton Act, as amended, 15 U.S.C. 25, to prevent and restrain defendants from violating section 7 of the Clayton Act, 15 U.S.C. 18.

9. Defendants produce, distribute, and sell financial data products and services, including fundamentals data, earnings estimates data, and aftermarket research reports, in the flow of interstate commerce. Defendants' activities in producing, distributing, and selling these products generate revenues of hundreds of millions of dollars annually and substantially affect interstate commerce. This court has subject matter jurisdiction over this action pursuant to section 12 of the Clayton Act, 15 U.S.C. 22, and 28 U.S.C. 1331, 1337(a), and 1345.

10. Defendants sell a variety of financial data products and services,

including fundamentals data, earnings estimates data, and aftermarket research reports, in this judicial district and have consented to venue and personal jurisdiction.

## IV. Trade and Commerce

### A. Financial Data

11. Investment managers, investment bankers, traders, corporate managers, and other firms ("institutional financial data users") use financial data to support investment decisions and to provide advice to their firms or clients. This data includes relevant news information, pricing information on various types of investment vehicles, and descriptive and predictive data about individual companies, market sectors, or the economy. Although some financial information, such as delayed stock prices and basic news, is available for no charge on public websites, most institutional financial data users need, and are willing to pay for, higher quality data such as: real-time securities prices; real-time standardized earnings estimates; comprehensive and error-checked fundamentals data; pricing data for fixed-income securities; financial analytic tools; and proprietary news and analysis.

12. Financial data firms such as Thomson and Reuters typically deliver financial data and other products to their institutional users through a variety of distribution channels. The so-called "terminals" channel is the largest, wherein financial data providers package or bundle a number of different types of financial data, such as quotes and prices for a variety of financial instruments, fundamentals data, earnings estimates data, macroeconomic data, real-time and aftermarket research, as well as news, charting and other analytic tools. These types of financial data, analytic tools and news, sold in a variety of packaged configurations with optional content and features, are delivered through customized graphical user interfaces to institutional financial data users' desktop computers. These products are sold by subscription, generally on a per-user or enterprise basis, with pricing generally based on a single price for the bundled products and separately priced optional additions. Thomson and Reuters are two of the three largest providers of financial data terminals in the United States.

13. Financial data providers like Thomson and Reuters also deliver financial data through enterprise-level electronic data feeds that allow an institutional financial data user to assemble its own packages of financial data, analytic tools, and news; integrate

the data with its own applications; and distribute them within its own organization to users' desktops. Financial data providers also sell redistribution rights on a wholesale basis to third parties who distribute the data to their own terminal or internet-based customers. Thomson and Reuters have competed to supply such data to resellers, and third party providers of financial data terminals to institutional financial data users rely on access to certain types of financial data for which Thomson and Reuters are the principal suppliers. Finally, financial data providers also supply financial data to their customers over the public internet via password-protected Web sites.

### B. The Relevant Product Markets

There are three relevant product markets: (1) Fundamentals data; (2) earnings estimates data; and (3) aftermarket research.

#### 1. Fundamentals Data

14. Fundamentals data concern the financial performance and other attributes of individual companies, including information from financial statements, calculated financial ratios, per share data, security and market identifiers, product information, and company profile data. Fundamentals data generally pertain to publicly-traded companies and both U.S.-based and foreign companies. Providers of fundamentals data such as Thomson and Reuters maintain fundamentals data for tens of thousands of companies, both active and defunct, over periods of years or decades.

15. Providers of fundamentals data extract the data from company financial statements and reports as they are released and update the data on an ongoing basis. Providers add significant value by interpreting and translating footnotes, calculating a variety of ratios, "normalizing" the data into a consistent format, and "standardizing" the data to facilitate comparisons of companies. Such data can be provided to customers in an "as reported" format or in a "standardized" format.

16. Institutional financial data users utilize fundamentals data in making investment decisions with respect to individual securities, to test investment strategies and models at different points in time, to chart the historical performance of companies, and to back-test quantitative models.

17. There are no substitutes for fundamentals data. Fundamentals data are a key component needed by institutional financial data users for developing and testing trading strategies and quantitative models as well as

making individual investment decisions. Institutional financial data users require timely, reliable, easily accessible, aggregated, accurate, and comprehensive financial data for many thousands of companies.

18. A small but significant post-acquisition increase in the price of fundamentals data would not cause institutional financial data users to substitute another product or otherwise reduce their use of fundamentals data to a sufficient extent so as to make such a price increase unprofitable.

19. The distribution and sale of fundamentals data is a line of commerce and a relevant product market within the meaning of section 7 of the Clayton Act.

## 2. Earnings Estimates Data

20. An earnings estimate is a prediction of a company's earnings, often in terms of quarterly or annual earnings per share. Thomson and Reuters, and other firms, maintain databases of published earnings estimates going back years or decades.

21. Providers of earnings estimates data collect and disseminate information from investment bankers and other sources on an ongoing basis. Collecting estimates data involves obtaining research reports from a wide range of investment bankers and other sources, such as brokerage firms and specialized investment research firms. Errors in the data are corrected, and as-reported data is normalized to common accounting conventions. Providers also calculate various consensus estimates across industries or sectors. These functions add significant value.

22. Institutional financial data users use earnings estimates when they decide whether to trade or invest in individual securities. Some institutional financial data users use historical earnings estimates data to evaluate investment strategies. For example, an analyst with a quantitative model for evaluating stock investments may back-test the proposed model with ten years of earnings history data to determine whether the model would have accurately predicted past price movements.

23. There are no reasonable substitutes for earnings estimates data. Earnings estimates data are a key component in the development and testing of quantitative trading models and trading decisions made by many institutional financial data users, who cannot otherwise acquire sufficiently robust, standardized, historic and current earnings estimates data.

24. A small but significant post-acquisition increase in the price of

earnings estimates data would not cause institutional financial data users to substitute other products or otherwise reduce their usage of earnings estimates in sufficient quantities so as to make such a price increase unprofitable.

25. The distribution and sale of earnings estimates data is a line of commerce and a relevant product market under section 7 of the Clayton Act.

## 3. Aftermarket Research Reports

26. Research reports are detailed research documents prepared by analysts at investment banks, brokerage firms, and other research firms that evaluate the prospects of specific securities. These reports explain analysts' opinions and include financial projections, such as the company's projected earnings per share of stock at the end of the company's next fiscal quarter. Research reports are often based on quantitative models of firms' expected performance.

27. An investment bank or brokerage firm typically provides research reports to its customers immediately on publication. Such customers may obtain reports through a financial data terminal, via e-mail, or from authorized password-protected websites. After an embargo period of days or weeks after release to clients has elapsed, investment banks and brokerage firms typically allow their reports to be distributed in an "aftermarket" to other third parties, sometimes for a fee.

28. Thomson and Reuters aggregate and distribute research reports. Thomson and Reuters each collect reports from hundreds of investment banks, brokerage firms, and other research sources and sell copies of such reports once they are no longer embargoed. To do this, Thomson and Reuters have developed infrastructure including a database of the reports and an electronic distribution system. Thomson and Reuters also create and maintain indices, tables of contents, and search tools so that third parties can locate and compare the research reports available for purchase without having to contact individual investment banks and brokerage firms. Thomson and Reuters sell aftermarket research reports under various pricing plans, such as per-report, per-page, or so-called "all you can eat" access.

29. There are no reasonable substitutes for the aftermarket research report distribution services offered by Thomson and Reuters. Aftermarket research reports are a key investment research tool for many institutional financial data users, who cannot acquire the reports' contents by other means.

For example, the aggregation, indexing, search, and comparison features provided by distributors of aftermarket research offer functionality not otherwise available. In addition, institutional financial data users cannot, in a practical or efficient manner, contact and arrange access to multiple research reports on an individual basis with possibly hundreds of research providers.

30. A small but significant post-acquisition increase in the price of aftermarket research report distribution services would not cause institutional financial data users to substitute another product or otherwise reduce their use of such reports in sufficient quantities so as to make such a price increase unprofitable.

31. The distribution and sale of aftermarket research reports is a line of commerce and a relevant product market under section 7 of the Clayton Act.

## C. The Relevant Geographic Market

32. Thomson and Reuters sell fundamentals data, earnings estimates data, and aftermarket research reports to institutional financial data users around the world. The world constitutes a relevant geographic market under Section 7 of the Clayton Act for each of these relevant product markets.

## D. The Proposed Transaction Will Harm Competition in the Relevant Markets

### 1. Fundamentals Data

33. Competition between Thomson and Reuters in the distribution and sale of fundamentals data has benefited institutional financial data users.

34. The proposed transaction will significantly increase concentration among suppliers of fundamentals data to institutional financial data users. In particular, the transaction will eliminate competition between the two major suppliers of fundamentals databases that provide comprehensive global coverage and the historical coverage required for quantitative analysis, as well as competition between two of the three largest suppliers of fundamentals data by datafeed.

35. The proposed transaction will substantially increase the likelihood that the combined firm unilaterally will increase the price of fundamentals data to a significant number of institutional financial data users. The combined firm likely would increase price both to institutional financial data users to whom they sell fundamentals data directly, either via data feed or as part of a financial data terminal product sold by Thomson or Reuters, as well as to

institutional financial data users to whom Thomson and Reuters sell indirectly, via resellers that offer financial data terminals in competition with Thomson and Reuters. The combined firm would have the incentive and ability to increase the cost of data sold to resellers, or to discontinue such supply of fundamentals data altogether.

36. The response of other financial data providers will not prevent or undo the competitive harm that will likely result from the proposed merger. To the extent other providers rely on data acquired from Thomson or Reuters, the combined firm would control the cost and availability of such data. Responses by firms with independent access to fundamentals data also would be unlikely to prevent or undo the transaction's competitive harm. A significant number of institutional financial data users regard the products of Thomson and Reuters as their first and second choices when purchasing fundamentals data, and consider fundamentals data products offered by other financial data providers to be distant third choices. An insufficient number of institutional financial data users would switch to a competing fundamentals data product to defeat a price increase imposed unilaterally by the merged firm.

37. Entry into or expansion into fundamentals data is difficult, time consuming, and costly. New entrants into the fundamentals data market, particularly with respect to international fundamentals data, must overcome significant barriers to entry. These include the difficulties of arranging for collection of data on tens of thousands of companies on a global basis, constructing a reliable historical database, the need to develop local expertise in each country's accounting norms, and the ability to develop data normalization and standardization processes. Therefore, entry or expansion by any other firm will not be timely, likely, or sufficient to defeat an anticompetitive price increase.

38. Without the constraining effect of competition between Thomson and Reuters, the combined firm will have a greater ability to exercise market power by raising its prices for fundamentals data to institutional financial data users without risk of losing significant sales to competitors.

39. The transaction will substantially lessen competition in the distribution and sale of fundamentals data in violation of section 7 of the Clayton Act. The transaction is likely to lead to higher prices and reduced quality for consumers of such data.

## 2. Earnings Estimates Data

40. Competition between Thomson and Reuters in the sale of earnings estimates data has benefited institutional financial data users.

41. The proposed transaction will significantly increase concentration among suppliers of earnings estimates data, eliminating competition between the world's two largest suppliers of earnings estimates data with broad, global, and historical coverage as well as the two largest suppliers of estimates by datafeed. Thomson and Reuters have a combined share of over 70% of the worldwide market for earnings estimates data, and each is significantly larger than the third largest supplier.

42. The proposed transaction will substantially increase the likelihood that Thomson and Reuters will increase the price of earnings estimates data to a significant number of institutional financial data users. The combined firm likely would increase price both to institutional financial data users to whom they sell estimates data directly, either via data feed or as part of a financial data terminal product sold by Thomson or Reuters, as well as to institutional financial data users to whom Thomson and Reuters sell indirectly, via resellers that offer financial data terminals in competition with Thomson and Reuters. The combined firm would have the incentive and ability to increase the cost of data sold to resellers, or to discontinue such supply of estimates data altogether.

43. The response of other financial data providers will not prevent or undo the competitive harm that will likely result from the proposed merger. To the extent other providers rely on data acquired from Thomson or Reuters, the combined firm would control the cost and availability of such data. Responses by firms with independent access to estimates data also would be unlikely to prevent or undo the transaction's competitive harm. A significant number of institutional financial data users regard the products of Thomson and Reuters as their first and second choices when purchasing earnings estimates data, and consider earnings estimates data offered by other financial data providers to be distant third choices. An insufficient number of institutional financial data users would switch to a competing earnings estimates data product to defeat an anticompetitive price increase.

44. Entry into or expansion in the distribution of earnings estimates data is difficult, time consuming, and costly. Firms entering the market face

significant barriers to timely entry, including the difficulty and cost of replicating years or decades of historical data, significant human and intellectual-property resources for standardizing and verifying the data, and the effort and expense to establish the requisite business relationships with hundreds of investment banks and brokerage firms to collect the data. Therefore, entry or expansion by any other firm will not be timely, likely, or sufficient to defeat an anticompetitive price increase.

45. Without the effect of competition between Thomson and Reuters, the combined firm will have a greater ability to exercise market power by raising its prices for earnings estimates data to institutional financial data users without risk of losing significant sales to competitors.

46. The transaction will substantially lessen competition in the distribution and sale of earnings estimates data in violation of Section 7 of the Clayton Act. This is likely to lead to higher prices and reduced quality for consumers of such data.

## 3. Aftermarket Research Reports

47. Competition between Thomson and Reuters in the distribution of aftermarket research reports has benefited institutional financial data users.

48. The proposed transaction will significantly increase concentration in the distribution of aftermarket research reports. Thomson and Reuters have a combined market share in excess of 90%, and each is significantly larger than the third largest distributor of aftermarket research reports.

49. The proposed transaction will substantially increase the likelihood that Thomson and Reuters will increase the price of their aftermarket research to a significant number of institutional financial data users.

50. The responses of other financial data providers would not prevent or undo the competitive harm that will likely result from the proposed merger. Other firms lack the requisite relationships with hundreds of investment banks and brokerage firms and a comprehensive collection of research reports, which is both highly valued by institutional financial data users and extremely costly to duplicate. A significant number of financial data users regard the products distributed by Thomson and Reuters as their first and second choices when purchasing aftermarket research reports, and consider aftermarket research report distribution offered by other financial data providers to be distant third choices. An insufficient number of

institutional financial data users would switch to a competing aftermarket research report distributor to defeat a price increase imposed unilaterally by the merged firm.

51. Entry into or expansion in the distribution of aftermarket research reports is difficult, time consuming, and costly. Emerging firms would need to expend significant resources to attempt to establish the business relationships with hundreds of investment banks and brokerage firms necessary to obtain rights for distribution, collect copies of thousands of existing reports of the contributors, and establish the technological infrastructure for selling aftermarket research reports. Therefore, entry or expansion by any other firm will not be timely, likely, or sufficient to defeat an anticompetitive price increase.

52. Without competition between Thomson and Reuters, the combined firm will have a greater ability to exercise market power by raising prices to institutional financial data users for whom Thomson and Reuters are the only two sources of aggregated aftermarket research report sale and distribution.

53. The transaction will substantially lessen competition in the distribution and sale of aftermarket research reports in violation of section 7 of the Clayton Act. This is likely to lead to higher prices and reduced quality for consumers of such reports.

#### IV. Violations Alleged

54. The United States incorporates the allegations of paragraphs I through 52 above.

55. The proposed acquisition of Reuters by Thomson would substantially lessen competition in interstate trade and commerce in violation of section 7 of the Clayton Act, 15 U.S.C. 18.

56. Unless restrained, the transaction will have the following anticompetitive effects, among others:

- a. actual and potential competition between Thomson and Reuters in the distribution and sale of fundamentals data, earnings estimates data, and aftermarket research reports will be eliminated;
- b. competition generally in the sale of fundamentals data, earnings estimates data, and aftermarket research reports will be substantially lessened; and
- c. prices for fundamentals data, earnings estimates data, and aftermarket research reports likely will increase.

#### V. Request for Relief

57. The United States requests that this Court:

a. adjudge and decree the proposed acquisition to violate section 7 of the Clayton Act, 15 U.S.C. 18;

b. enjoin and restrain the Defendants and all persons acting on their behalf from consummating the proposed acquisition or from entering into or carrying out any contract, agreement, plan, or understanding, the effect of which would be to combine Thomson with the operations of Reuters;

c. award the United States its costs for this action; and

d. grant the United States such other and further relief as the Court deems just and proper.

Respectfully submitted,

FOR PLAINTIFF UNITED STATES OF AMERICA:

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*Attorneys, United States Department of Justice, Antitrust Division, Networks and Technology Enforcement Section, 600 E. Street, NW., Suite 9500, Washington, DC 20530, (202) 307-6200.*

Dated: February 19, 2008.

**United States District Court for the District of Columbia United States of America, Plaintiff, v. The Thomson Corporation and Reuters Group PLC, Defendants.**

*Case: 1:08-cv-00262.*

*Assigned To: Hogan, Thomas F.*

*Assign. Date: 02/19/2008.*

*Description: Antitrust.*

#### Final Judgment

*Whereas*, Plaintiff, United States of America, filed its Complaint on February 19, 2008, and the United States and Defendant The Thomson Corporation ("Thomson") and Defendant Reuters Group PLC ("Reuters") (collectively "Defendants"), by their respective attorneys, have consented to the entry of this Final Judgment without trial or adjudication of any issue of fact or law, and without this Final Judgment constituting any evidence against or admission by any party regarding any issue of fact or law;

*And whereas*, Defendants agree to be bound by the provisions of this Final Judgment pending its approval by the Court;

*And whereas*, the essence of this Final Judgment is the prompt and certain divestiture of certain rights or assets by the Defendants to assure that competition is not substantially lessened;

*And whereas*, the United States requires Defendants to make certain divestitures for the purpose of remedying the loss of competition alleged in the Complaint;

*And whereas*, Defendants have represented to the United States that the divestitures required below can and will be made and that Defendants will later raise no claim of hardship or difficulty as grounds for asking the Court to modify any of the divestiture provisions contained below;

*Now therefore*, before any testimony is taken, without trial or adjudication of any issue of fact or law, and upon consent of the Defendants, it is *ordered, adjudged and decreed*:

#### 1. Jurisdiction

This Court has jurisdiction over the subject matter of and each of the Defendants to this action. The Complaint states a claim upon which relief may be granted against Defendants under section 7 of the Clayton Act, as amended, 15 U.S.C. 18.

#### II. Definitions

As used in this Final Judgment:

A. "Acquirer(s)" means the entity or entities to whom Defendants divest the Divestiture Assets.

B. "Reuters" means defendant Reuters Group PLC, a United Kingdom corporation with its headquarters in London, England, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and their directors, officers, managers, agents, and employees.

C. "Thomson" means defendant The Thomson Corporation, an Ontario, Canada corporation with its headquarters in Stamford, Connecticut, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and their directors, officers, managers, agents, and employees.

D. "Closing Date" means the date on which the transfer of the Thomson Fundamentals Divestiture Assets, the Reuters Estimates Divestiture Assets, or the Reuters Aftermarket Research Divestiture Assets, as applicable, has been completed as provided in the purchase agreement between the divesting party and the Acquirer(s).

E. "Divestiture Assets" means the Thomson Fundamentals Divestiture Assets, the Reuters Estimates Divestiture Assets, and the Reuters Aftermarket Research Divestiture Assets, individually or collectively as context may require.

F. "Estimates" mean predictions by sell-side and independent analysts regarding the future financial performance of a company or security, typically with respect to key earnings metrics such as annual or quarterly earnings per share.

G. "Aftermarket Research" means reports prepared by sell-side and independent analysts that include an analysis of a security, company, or industry (including company-specific reports and industry-wide reports) and that are no longer restricted ("embargoed") as to recipients by the authoring firm and are generally available for sale to all interested purchasers.

H. "Fundamentals" means data pertaining to companies and their financial performance, such as reportable financial statement data (e.g., balance sheet, cash flow and income statements), calculated financial ratios (e.g., annual and five-year averages for growth rates, profitability, leverage, asset utilization), textual profile information (e.g., address, identity of officers and directors), and per share data (e.g., earnings per share, book value per share, cash flow per share), that are derived from company filings and financial statements.

I. "Third-Party Owned Fundamentals" means Fundamentals over which a contributor maintains an intellectual property right.

J. "Third-Party Owned Estimates" means Estimates over which a contributor maintains an intellectual property right.

K. "Third-Party Owned Research" means Aftermarket Research over which a contributor maintains an intellectual property right.

L. "Thomson Fundamentals Divestiture Assets" means the tangible and intangible assets described in Schedule I Paragraphs A, B and G.

M. "Reuters Estimates Divestiture Assets" means the tangible and intangible assets described in Schedule I Paragraphs C, D and G.

N. "Reuters Aftermarket Research Divestiture Assets" means the tangible and intangible assets described in Schedule I Paragraphs E, F and G.

O. "Direct Content Datafeeds" means datafeeds delivered using FTP (file transfer protocol), CD or DVD media, or other industry standard technology, offering data within a discrete content

set (i.e., Thomson Fundamentals or Reuters Estimates), including such data delivered by or through redistributors, where (i) the datafeed can be disaggregated from other product(s) provided by the seller without causing significant disruption to the customer's (or redistributor's) operations; and (ii) the customer's (or redistributor's) contract for the purchase of the datafeed allocates a price for such datafeed.

### III. Applicability

A. This Final Judgment applies to Thomson and Reuters, as defined above, and all other persons in active concert or participation with any of them who receive actual notice of this Final Judgment by personal service or otherwise.

B. If, prior to complying with section iv and VI of this Final Judgment, Defendants sell or otherwise dispose of all or substantially all of their assets or of lesser business units that include the Divestiture Assets, they shall require the purchaser to be bound by the provisions of this Final Judgment. Defendants need not obtain such an agreement from the acquirers of the assets divested pursuant to this Final Judgment.

### IV. Divestitures

A. Defendants are ordered and directed, within sixty (60) calendar days after the filing of the Complaint in this matter, or five (5) calendar days after notice of the entry of this Final Judgment by the Court, whichever is later, to divest the Divestiture Assets in a manner consistent with this Final Judgment to an Acquirer(s) acceptable to the United States, in its sole discretion. The United States, in its sole discretion, may agree to one or more extensions of this time period not to exceed sixty (60) calendar days in total, and shall notify the Court in such circumstances. Defendants shall use their best efforts to divest the Divestiture Assets as expeditiously as possible.

B. In accomplishing the divestitures ordered by this Final Judgment, Defendants promptly shall make known, by usual and customary means, the availability of the Divestiture Assets. Defendants shall inform any person making inquiry regarding a possible purchase of the Divestiture Assets that they are being divested pursuant to this Final Judgment and provide that person with a copy of this Final Judgment. Unless the United States otherwise consents in writing, Defendants shall offer to furnish to all prospective Acquirers, subject to customary confidentiality assurances, all financial, operational, technical, and other information and documents relating to

the Divestiture Assets customarily provided in a due diligence process except such information or documents subject to the attorney-client privileges or work-product doctrine. Defendants shall make available such information to the United States and the Monitoring Trustee at the same time that such information is made available to any other person.

C. Defendants shall provide the Acquirer(s), the United States, and the Monitoring Trustee information relating to the personnel involved in the development, production, maintenance, and operation of the Divestiture Assets, as described in Schedule 2, to enable the Acquirer(s) to make offers of employment. Defendants shall permit prospective Acquirers of the Divestiture Assets to have reasonable access to personnel described in Schedule 2 and shall not interfere with any negotiations by the Acquirer(s) to employ any such personnel. With respect to any such personnel who receive an offer of employment from the Acquirer(s), Defendants shall (1) Not prevent, prohibit or restrict or threaten to prevent, prohibit or restrict such personnel from being employed by the Acquirer(s) nor offer any incentive to decline employment with the Acquirer(s); and (2) cooperate with the Acquirer(s) in effecting the transfer of such personnel and amend or waive any provisions of employment agreements, stock options or other employee benefit arrangements so that such personnel do not suffer adverse consequences as a result of their negotiations with or acceptance of employment by the Acquirer(s).

D. For a period of eighteen (18) months from the filing of the Complaint in this matter, Defendants shall not solicit to hire, or hire, any individual described on Schedule 2 hired by the Acquirer(s), unless such individual is terminated or laid off by the Acquirer(s), or the Acquirer(s) agree that Defendants may solicit and employ that individual.

E. Defendants shall warrant to the Acquirer(s) that the copies of the Thomson Fundamentals Databases, Reuters Estimates Databases, and Reuters Aftermarket Research Databases (as defined in Schedule 1) provided as part of the Divestiture Assets are the complete, identical database(s) as maintained by Defendants in the ordinary course of their business, subject to any exclusion for third-party content as permitted by this Final Judgment, and that such copies shall be in an industry-standard format that allows the Acquirer(s) to access and use the data. Defendants shall also warrant that all other Divestiture Assets,

including copies of software, documents, documentation and data, are complete and accurate copies of the materials as maintained by the Defendants in the ordinary course of their business.

F. Defendants shall not take any action that will impede in any way the operation or divestiture of the Divestiture Assets or the operation of any agreement(s) for transitional support services described in section IV.K herein.

G. Unless the United States in its sole discretion provides written consent, the Defendants shall not enter any new exclusive contribution agreements with contributors of Estimates or Aftermarket Research, nor expand the scope or degree of exclusivity of any existing such exclusive contribution agreements, nor renew any such agreement for a term that exceeds one (1) year duration, from the date of filing of this Final Judgment until two (2) years after the date of entry of this Final Judgment.

H. With respect to each investment bank or other contributor that, as of the date of filing of the Complaint and pursuant to contract, provides (1) Aftermarket Research; (2) Estimates; or (3) other third-party contributor data used by Reuters to compile, produce, operate, or maintain the Reuters Estimates Databases or the Reuters Aftermarket Research Databases (as defined in Schedule 1), Defendants shall use their best efforts (which obligation shall not require Defendants to overcome commercially unreasonable refusals to consent to assignment) to procure the assignment of such contract to the Acquirer(s) on or before the Closing Date. In the case of any investment bank or other contributor unwilling to consent to assignment or whose contract cannot otherwise be assigned to an Acquirer on or before the Closing Date, Defendants shall:

1. Assist the Acquirer(s) in reaching contribution agreements directly with such investment bank or other contributor as promptly as possible, including waiving any exclusivity provisions with such investment bank or other contributor as needed; and

2. grant the Acquirer(s) redistribution rights to the contributed content to the maximum extent allowable under the contributor's contract with Reuters, assisting the Acquirer(s) to put into place any arrangements for the Acquirer's redistribution of the contributed content, including seeking all needed consents. Provided, however, that Reuters may terminate such redistribution rights with respect to a particular third party once the Acquirer concludes any arrangement for the

supply of the contributed content directly from that third party.

The Defendants' obligations pursuant to subparagraphs I and 2 above shall cease at the earlier of: (1) The date on which the Acquirer(s) of the Reuters Estimates Divestiture Assets and the Reuters Aftermarket Research Divestiture Assets have contribution agreements with eighty percent (80%) of the firms that provided Aftermarket Research and/or Estimates to Reuters pursuant to contract as of the filing date of the Complaint, twenty-two (22) of the twenty-five (25) contributors listed on Schedule 3 (as to the Acquirer of the Reuters Estimates Divestiture Assets), and twenty-two (22) of the twenty-five (25) contributors listed on Schedule 4 (as to the Acquirer of the Reuters Aftermarket Research Divestiture Assets); or (2) two (2) years after the date of entry of this Final Judgment. The Defendants shall not charge the Acquirer(s) for any redistribution rights pursuant to subparagraph 2 above, except that the Acquirer(s) shall pay any fee imposed by the investment bank or other contributor for distribution of such content, and the non-price terms of such redistribution arrangements shall be consistent with the most favorable (to the redistributor) non-price terms of Reuters' agreements with other redistributors of similar content.

I. With respect to any contracts for the provision of Fundamentals or other third-party contributor data that Thomson uses in the compilation, production, operation, updating or maintenance of the Thomson Fundamentals Databases as of the date of filing of the Complaint, Defendants shall use their best efforts (which obligation shall not require Defendants to overcome commercially unreasonable refusals to consent to assignment) to procure the assignment of such contracts to the Acquirer on or before the Closing Date. In the case of any third party unwilling to consent to assignment or whose contract cannot otherwise be assigned to an Acquirer on or before the Closing Date, for a period of two years from the filing date of the Complaint, Defendants shall:

1. Assist the Acquirer in reaching a supply agreement directly with such third party as promptly as possible, including waiving any exclusivity provisions with such third party as needed; and

2. Grant the Acquirer redistribution rights to the contributed content to the maximum extent allowable under the contributor's contract with Thomson, assisting the Acquirer(s) to put into place any arrangements for the Acquirer's redistribution of the

contributed content, including seeking all needed consents.

Provided, however, that Thomson may terminate such redistribution rights with respect to a particular third party once the Acquirer concludes any arrangement for the supply of the contributed content directly from that, third party.

J. Defendants shall provide for delivery of contracts for the contribution of Aftermarket Research, Estimates, and/or Fundamentals, and for copies of Third-Party Owned Aftermarket Research, Estimates, Fundamentals, or other third-party contributor data as described above to the Acquirer(s) as follows:

1. To the extent the necessary third party consents are obtained on or before the Closing Date, the contracts and copies of contributed content shall be delivered to the Acquirer(s) as part of the Divestiture Assets;

2. To the extent the necessary third party consents are not obtained on or before the Closing Date, Defendants shall preserve copies of the contributed content for release to the Acquirer(s) upon receipt of the necessary third party consents. Defendants' obligation to preserve such copies shall terminate at the earlier of: (i) The date that all preserved copies have been provided to the Acquirer(s); or (ii) Defendants' satisfaction of their obligations pursuant to section IV.H and IV.I of this Final Judgment; and

3. For each contributor from whom consent is obtained after the Closing Date but before Defendants satisfy their obligations pursuant to section IV.H and IV.I of this final judgment, defendants shall deliver to the acquirer(s), the contributor contract, preserved copies of the content and all intervening updates in machine readable form necessary to bring the Acquirer's database current with respect to that contributor.

K. At the option of the Acquirer(s), the Defendants shall enter into a transitional support services agreement on customary and commercially reasonable terms and conditions to be approved by the United States in its sole discretion, for a period of up to twelve (12) months from the Closing Date (and, in the case of the Thomson Fundamentals Divestiture Assets or the Reuters Estimates Divestiture Assets, at the option of the Acquirer(s), for one additional six (6) month period). Such agreement(s) shall be designed to enable the Acquirer(s) to compete effectively in the distribution of Fundamentals, Estimates, or Aftermarket Research for financial data users, specifically including institutional users, and shall



include, to the extent requested by the Acquirer(s):

1. Consulting and support services sufficient to give that Acquirer a full understanding of the structure and content of all Fundamentals, Estimates, and/or Aftermarket Research data divested to that Acquirer; and

2. Regular updates to the Fundamentals, Estimates, and/or Aftermarket Research data divested to that Acquirer, provided on the same schedule and with the same timeliness, content, and quality as the updates are provided to the Defendants' customers receiving Thomson Fundamentals, Reuters Estimates, or Reuters Aftermarket Research, respectively, subject to any redistribution restrictions on any such updates imposed by any third party content owner.

L. Unless the United States otherwise consents in writing, the divestiture(s) pursuant to Section IV or Section VI of this Final Judgment shall include the entire Divestiture Assets, and shall be accomplished in such a way as to satisfy the United States, in its sole discretion, that the Divestiture Assets can and will be used by the Acquirer(s) as part of a viable, ongoing business of the distribution of Fundamentals, Estimates, or Aftermarket Research for financial data users, specifically including institutional users. Divestiture of the Divestiture Assets may be made to one or more Acquirers, provided that in each instance it is demonstrated to the sole satisfaction of the United States that the Divestiture Assets will remain viable and the divestiture of such assets will remedy the competitive harm alleged in the Complaint. The divestitures, whether pursuant to section IV or section VI of this Final Judgment,

(1) Shall be made to an Acquirer(s) that, in the United States's sole judgment, has the intent and capability (including the necessary managerial, operational, technical and financial capability) of competing effectively in the business of distribution of Fundamentals, Estimates, or Aftermarket Research for financial data users, specifically including institutional users; and

(2) Shall be accomplished so as to satisfy the United States, in its sole discretion, that none of the terms of any agreement between an Acquirer(s) and Defendants give Defendants the ability unreasonably to raise the Acquirer's costs, to lower the Acquirer's efficiency, or otherwise to interfere in the ability of the Acquirer to compete effectively.

## V. Appointment of Monitoring Trustee

A. Upon the filing of this Final Judgment, the United States may, in its sole discretion and in good faith consultation with the European Commission, appoint a Monitoring Trustee, subject to approval by the Court.

B. The Monitoring Trustee shall have the power and authority to monitor Defendants' compliance with the terms of this Final Judgment and the Asset Preservation Stipulation and Order entered by this Court and shall have such powers as this Court deems appropriate. Subject to Section V.D of this Final Judgment, the Monitoring Trustee may hire at the cost and expense of Thomson any consultants, accountants, attorneys, or other persons, who shall be solely accountable to the Monitoring Trustee, reasonably necessary in the Monitoring Trustee's judgment.

C. Defendants shall not object to actions taken by the Monitoring Trustee in fulfillment of the Monitoring Trustee's responsibilities under any Order of this Court on any ground other than the Monitoring Trustee's malfeasance. Any such objections by Defendants must be conveyed in writing to the United States and the Monitoring Trustee within ten (10) calendar days after the action taken by the Monitoring Trustee giving rise to the Defendants' objection.

D. The Monitoring Trustee shall serve at the cost and expense of Thomson, on such terms and conditions as the United States approves. The compensation of the Monitoring Trustee and any consultants, accountants, attorneys, and other persons retained by the Monitoring Trustee shall be on reasonable and customary terms commensurate with the individuals' experience and responsibilities.

E. The Monitoring Trustee shall have no responsibility or obligation for the operation of Defendants' businesses.

F. Defendants shall use their best efforts to assist the Monitoring Trustee in monitoring Defendants' compliance with their individual obligations under this Final Judgment and under the Asset Preservation Stipulation and Order. The Monitoring Trustee and any consultants, accountants, attorneys, and other persons retained by the Monitoring Trustee shall have full and complete access to the personnel, books, records, and facilities relating to the Divestiture Assets, subject to reasonable protection for trade secret or other confidential research, development, or commercial information or any applicable privileges. Defendants shall take no

action to interfere with or to impede the Monitoring Trustee's accomplishment of its responsibilities.

G. After its appointment, the Monitoring Trustee shall file monthly reports with the United States and the Court setting forth the Defendants' efforts to comply with their individual obligations under this Final Judgment and under the Asset Preservation Stipulation and Order. To the extent such reports contain information that the trustee deems confidential, such reports shall not be filed in the public docket of the Court.

H. The Monitoring Trustee shall serve until the divestiture of all the Divestiture Assets is finalized pursuant to either section IV or section VI of this Final Judgment and any agreement(s) for transitional support services described in section IV.K herein have expired.

## VI. Appointment of Divestiture Trustee

A. If Defendants have not divested the Divestiture Assets within the time period specified in section IV.A, Defendants shall notify the United States of that fact in writing. Upon application of the United States, the Court shall appoint a Divestiture Trustee selected by the United States in good faith consultation with the European Commission and approved by the Court to effect the divestiture of the Divestiture Assets.

B. After the appointment of a Divestiture Trustee becomes effective, only the Divestiture Trustee shall have the right to sell the Divestiture Assets. The Divestiture Trustee shall have the power and authority to accomplish the divestiture to an Acquirer(s) acceptable to the United States at such price and on such terms as are then obtainable upon reasonable effort by the Divestiture Trustee, subject to the provisions of sections IV and VI of this Final Judgment, and shall have such other powers as this Court deems appropriate. Subject to section VI.D of this Final Judgment, the Divestiture Trustee may hire at the cost and expense of Defendants any investment bankers, attorneys, or other agents, who shall be solely accountable to the Divestiture Trustee, reasonably necessary in the Divestiture Trustee's judgment to assist in the divestiture.

C. Defendants shall not object to a sale by the Divestiture Trustee on any ground other than the Divestiture Trustee's malfeasance. Any such objections by Defendants must be conveyed in writing to the United States and the Divestiture Trustee within ten (10) calendar days after the Divestiture Trustee has provided the notice required under Section VII. The



Divestiture Trustee shall serve at the cost and expense of Defendants, on such terms and conditions as the United States approves, and shall account for all monies derived from the sale of the assets sold by the Divestiture Trustee and all costs and expenses so incurred. After approval by the Court of the Divestiture Trustee's accounting, including fees for its services and those of any professionals and agents retained by the Divestiture Trustee, all remaining money shall be paid to Defendants and the trust shall then be terminated. The compensation of the Divestiture Trustee and any professionals and agents retained by the Divestiture Trustee shall be reasonable in light of the value of the Divestiture Assets and based on a fee arrangement providing the Divestiture Trustee with an incentive based on the price and terms of the divestiture and the speed with which it is accomplished, but timeliness is paramount.

E. Defendants shall use their best efforts to assist the Divestiture Trustee in accomplishing the required divestiture. The Divestiture Trustee and any consultants, accountants, attorneys, and other persons retained by the Divestiture Trustee shall have full and complete access to the personnel, books, records, and facilities of the business to be divested, and Defendants shall develop financial and other information relevant to such business as the Divestiture Trustee may reasonably request, subject to reasonable protection for trade secret or other confidential research, development, or commercial information. Defendants shall take no action to interfere with or to impede the Divestiture Trustee's accomplishment of the divestiture.

F. After its appointment, the Divestiture Trustee shall file monthly reports with the United States and the Court setting forth the Divestiture Trustee's efforts to accomplish the divestiture ordered under this Final Judgment. To the extent such reports contain information that the Divestiture Trustee deems confidential, such reports shall not be filed in the public docket of the Court. Such reports shall include the name, address, and telephone number of each person who, during the preceding month, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about acquiring, any interest in the Divestiture Assets, and shall describe in detail each contact with any such person. The Divestiture Trustee shall maintain full records of all efforts made to divest the Divestiture Assets.

G. If the Divestiture Trustee has not accomplished the divestiture ordered under this Final Judgment within six months after its appointment, the Divestiture Trustee shall promptly file with the Court a report setting forth (1) The Divestiture Trustee's efforts to accomplish the required divestiture, (2) the reasons, in the Divestiture Trustee's judgment, why the required divestiture has not been accomplished, and (3) the Divestiture Trustee's recommendations. To the extent such reports contain information that the Divestiture Trustee deems confidential, such reports shall not be filed in the public docket of the Court. The Divestiture Trustee shall at the same time furnish such report to the United States which shall have the right to make additional recommendations consistent with the purpose of the trust. The Court thereafter shall enter such orders as it shall deem appropriate to carry out the purpose of the Final Judgment, which may, if necessary, include extending the trust and the term of the Divestiture Trustee's appointment by a period requested by the United States.

#### **VII. Notice of Proposed Divestiture**

A. Within two (2) business days following execution of a definitive divestiture agreement, Defendants or the Divestiture Trustee, whichever is then responsible for effecting the divestiture required herein, shall notify the United States and the Monitoring Trustee of any proposed divestiture required by section IV or VI of this Final Judgment. If the Divestiture Trustee is responsible, it shall similarly notify Defendants and the Monitoring Trustee. The notice shall set forth the details of the proposed divestiture and list the name, address, and telephone number of each person not previously identified who offered or expressed an interest in or desire to acquire any ownership interest in the Divestiture Assets, together with full details of the same.

B. Within fifteen (15) calendar days of receipt by the United States of such notice, the United States may request from Defendants, the proposed Acquirer(s), any other third party, or the Divestiture Trustee, if applicable, additional information concerning the proposed divestiture, the proposed Acquirer(s), and any other potential Acquirer. Defendants and the Divestiture Trustee shall furnish any additional information requested within fifteen (15) calendar days of the receipt of the request, unless the Defendants shall otherwise agree.

C. Within thirty (30) calendar days after receipt of the notice or within twenty (20) calendar days after the

United States has been provided the additional information requested from Defendants, the proposed Acquirer(s), any third party, and the Divestiture Trustee, whichever is later, the United States shall provide written notice to Defendants and the Divestiture Trustee, if there is one, stating whether or not it objects to the proposed divestiture. If the United States provides written notice that it does not object, the divestiture may be consummated, subject only to Defendants' limited right to object to the sale under section VI.C of this Final Judgment. Absent written notice that the United States does not object to the proposed Acquirer(s) or upon objection by the United States, a divestiture proposed under section IV or section VI shall not be consummated. Upon objection by Defendants under section VI.C, a divestiture proposed under section VI shall not be consummated unless approved by the Court.

#### **VIII. Financing**

Defendants shall not finance all or any part of any purchase made pursuant to Section IV or VI of this Final Judgment.

#### **IX. Preservation of Assets**

Until the divestiture required by this Final Judgment has been accomplished, Defendants shall take all steps necessary to comply with the Asset Preservation Stipulation and Order entered by this Court. Defendants shall take no action that would jeopardize the divestiture ordered by this Court.

#### **X. Affidavits**

A. Within twenty (20) calendar days of the filing of the Complaint in this matter, and every thirty (30) calendar days thereafter until the divestiture has been completed under section IV or VI, defendants shall deliver to the United States and the monitoring trustee an affidavit as to the fact and manner of its compliance with section IV or VI of this Final Judgment. Each such affidavit shall include the name, address, and telephone number of each person who, during the preceding thirty (30) calendar days, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about acquiring, any interest in the Divestiture Assets, and shall describe in detail each contact with any such person during that period. Each such affidavit shall also include a description of the efforts Defendants have taken to solicit buyers for the Divestiture Assets, and to provide required information to prospective Acquirers, including the

limitations, if any, on such information. Assuming the information set forth in the affidavit is true and complete, any objection by the United States to information provided by Defendants, including limitation on information, shall be made within fourteen (14) calendar days of receipt of such affidavit.

B. Within twenty (20) calendar days of the filing of the Complaint in this matter, Defendants shall deliver to the United States and the Monitoring Trustee an affidavit that describes in reasonable detail all actions Defendants have taken and all steps Defendants have implemented on an ongoing basis to comply with section IX of this Final Judgment. Defendants shall deliver to the United States and the Monitoring Trustee an affidavit describing any changes to the efforts and actions outlined in Defendants' earlier affidavits filed pursuant to this section within fifteen (15) calendar days after the change is implemented.

C. Defendants shall keep all records of all efforts made to preserve and divest the Divestiture Assets until one year after such divestiture has been completed.

#### **XI. Compliance Inspection**

A. For the purposes of determining or securing compliance with this Final Judgment, or of determining whether the Final Judgment should be modified or vacated, and subject to any legally recognized privilege, from time to time authorized representatives of the United States Department of Justice, including consultants and other persons retained by the United States, shall, upon written request of an authorized representative of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to Defendants, be permitted:

(1) Access during Defendants' office hours to inspect and copy, or at the option of the United States, to require Defendants to provide hard copy or electronic copies of, all books, ledgers, accounts, records, data, and documents in the possession, custody, or control of Defendants, relating to any matters contained in this Final Judgment; and

(2) to interview, either informally or on the record, Defendants' officers, employees, or agents, who may have their individual counsel present, regarding such matters. The interviews shall be subject to the reasonable convenience of the interviewee and without restraint or interference by Defendants.

B. Upon the written request of an authorized representative of the Assistant Attorney General in charge of

the Antitrust Division, Defendants shall submit written reports or response to written interrogatories, under oath if requested, relating to any of the matters contained in this Final Judgment as may be requested.

C. No information or documents obtained by the means provided in this section shall be divulged by the United States to any person other than an authorized representative of the executive branch of the United States, except in the course of legal proceedings to which the United States is a party (including grand jury proceedings), or for the purpose of securing compliance with this Final Judgment, or as otherwise required by law.

D. If at the time information or documents are furnished by Defendants to the United States, Defendants represent and identify in writing the material in any such information or documents to which a claim of protection may be asserted under Rule 26(c)(7) of the Federal Rules of Civil Procedure, and Defendants mark each pertinent page of such material, "Subject to claim of protection under Rule 26(c)(7) of the Federal Rules of Civil Procedure," then the United States shall give Defendants ten (10) calendar days notice prior to divulging such material in any legal proceeding (other than a grand jury proceeding).

#### **XII. No Reacquisition**

Defendants may not reacquire any part of the Divestiture Assets during the term of this Final Judgment.

#### **XIII. Retention of Jurisdiction**

This Court retains jurisdiction to enable any party to this Final Judgment to apply to this Court at any time for further orders and directions as may be necessary or appropriate to carry out or construe this Final Judgment, to modify any of its provisions, to enforce compliance, and to punish violations of its provisions.

#### **XIV. Expiration of Final Judgment**

Unless this Court grants an extension, this Final Judgment shall expire ten (10) years from the date of its entry.

#### **XV. Public Interest Determination**

Entry of this Final Judgment is in the public interest. The Defendants have complied with the requirements of the Antitrust Procedures and Penalties Act, 15 U.S.C. § 16, including making copies available to the public of this Final Judgment, the Competitive Impact Statement, and any comments thereon and the United States' responses to comments. Based upon the record before the Court, which includes the

Competitive Impact Statement and any comments and response to comments filed with the Court, entry of this Final Judgment is in the public interest.

Court approval subject to procedures of Antitrust Procedures and Penalties Act, 15 U.S.C. 16.

Dated:

United States District Judge.

#### **Schedule 1—Description of Divestiture Assets**

A. The Thomson Fundamentals Divestiture Assets means copies of all master source Fundamentals databases used in, or in the production of Thomson's Fundamentals products, comprising the complete electronic collection of "as reported" Fundamentals that Thomson uses for the "Enterprise FX" product and the complete electronic collection of "standardized" Fundamentals that Thomson uses for the "Worldscope File2" product (individually and collectively, the "Fundamentals Databases"), and all tangible and intangible assets (or separable portions thereof) that Thomson uses in the compilation, production, operation, updating, or maintenance of the Fundamentals Databases, subject to the exclusions in Paragraphs B and G below, including:

1. A copy of the Fundamentals Databases, including any Third-Party Owned Fundamentals for which any requisite consents are obtained;

2. A copy (including any third-party owned data or materials for which any requisite consents are obtained) of all data, source documents, and other documentary materials used, and all database annotations made, by Thomson in the collection, aggregation, normalization, standardization, updating, indexing, or tagging of the Fundamentals Databases, current as of the Closing Date;

3. A perpetual, worldwide, assignable, sublicensable, transferable, royalty-free, non-exclusive license to market, distribute, and prepare derivative works of the Fundamentals Databases, data and documentary materials described in sub-paragraphs A.1 and A.2 above (and to manufacture, reproduce, and have reproduced such derivative works), subject to the third-party consents described therein, without further compensation to Thomson and without any restriction other than those permitted in Paragraph B.5 below;

4. A perpetual, worldwide, assignable, sublicensable, transferable, royalty free, nonexclusive license of all intellectual property rights, formulations, specifications, trade secrets, know-how, and technical information embodied in

the Fundamentals Databases or used in their compilation, production, operation, updating, or maintenance, subject to the third-party consents described above;

5. Copies of and a perpetual, worldwide, assignable, non-licensable, transferable, royalty-free, non-exclusive license to use and to prepare derivative works of (and to manufacture, reproduce, or have reproduced such derivative works) all training and other manuals, workflow documents, business processes, data definitions, and instructions used by Thomson in connection with the above-described databases, including all business logic used to map between "as reported" and "standardized" data, including a guide to standardized data definitions;

6. At the option of the Acquirer, copies of and a perpetual, worldwide, assignable, non-licensable, transferable, royalty-free, non-exclusive license to use and to prepare derivative works of (and to manufacture, reproduce, or have reproduced such derivative works) the following software (including source code and all documentation relating thereto):

i. All software used to compile, produce, operate, update, or maintain the Fundamentals Databases, including without limitation (a) software for collection, aggregation, normalization, standardization, updating, indexing, or tagging of Fundamentals, and (b) software providing "click-through" functionality to access the source documents underlying the Thomson Fundamentals Databases; and

ii. Any improvements, research or developments regarding the software described in Paragraph 6(i) above in existence at any time between January 1, 2007 and the Closing Date;

7. To the extent assignable, all Thomson customer contracts or assignable portions thereof for Direct Content Datafeed delivery of Fundamentals, including any contracts for delivery to clients by or through redistributors; and

8. To the extent assignable as set forth in Section IV.I of the Final Judgment, all contracts for the supply to Thomson of Fundamentals or other third-party contributor data (including industry standard symbology such as CUSIP, SEDOL, classification codes such as ICB sector codes, price and corporate action data, ADR information and currency exchange rates) that Thomson uses in the compilation, production, operation, updating, or maintenance of the Fundamentals Databases.

**B. Exclusions:** The Thomson Fundamentals Divestiture Assets do not include:

1. Any commercially available hardware or software (including any superseded hardware or software for which more recent compatible versions are available), except to the extent of custom software modifications made by or for Thomson;

2. Any Thomson trademarks, service marks or brands or any licenses thereto (including without limitation any rights to use the names "Thomson" or "Worldscope," alone or in connection with any of the Thomson Fundamentals Divestiture Assets); 3. any proprietary identification systems of Thomson that are used to produce non-Worldscope offerings and that are not necessary to the compilation, production, operation, updating, or maintenance of the Fundamentals Databases;

4. Any customer contracts other than those assigned pursuant to Paragraph A.7 above, any customer lists, or any customer account information except as needed to effectuate the assignment of contracts described in Paragraph A.7 above; and

5. Where Thomson uses any formulation, specification, trade secret, software program, patent, or source data (other than the contents of the Fundamentals Databases) described above substantially in the production or distribution of offering(s) other than Worldscope or Enterprise FX, Defendants may limit the Acquirer's transferable license to use of such intellectual property solely in activities relating to the field of Fundamentals data.

C. The Reuters Estimates Divestiture Assets means copies of all master source Estimates databases used in, or in the production of Reuters Estimates offerings, comprising the complete collection of "detailed" and "consensus" Estimates as included in the Reuters Knowledge Direct—Estimates product (individually and collectively, the "Estimates Databases"), and all tangible and intangible assets (or separable portions thereof) that Reuters uses in the compilation, production, operation, updating, or maintenance of the Estimates Databases, subject to the exclusions in Paragraphs D and G below, including:

1. A copy of the Estimates Databases, including any Third-Party Owned Estimates for which any requisite consents are obtained;

2. A copy (including any third-party owned data or material for which any requisite consents are obtained) of all data, notes and other documentary material and source documents (as such source documents are used and maintained in the ordinary course of business in connection with the

Estimates Databases) used, and all database annotations made, by Reuters in the aggregation, verification, annotation, standardization, updating, indexing or tagging of Estimates, current as of the Closing Date, such as data relating to inclusions/exclusions of Estimates from consensus values, accounting treatments of particular earnings or charges, and collection practices, current as of the Closing Date;

3. A perpetual, worldwide, assignable, sublicensable, transferable, royalty-free, non-exclusive license to market, distribute, and prepare derivative works of the Estimates Databases, data and documentation described in Paragraphs C.1 and C.2 (and to manufacture, reproduce, and have reproduced such derivative works), subject to the third-party consents described therein, without further compensation to Reuters and without any restriction other than those permitted in Paragraph D.6 below;

4. A perpetual, worldwide, assignable, sublicensable, transferable, royalty free, non-exclusive license of all intellectual property rights, formulations, specifications, trade secrets, know-how, and technical information embodied in the Estimates Databases or used in their compilation, production, operation, updating, or maintenance, subject to the third-party consents described above;

5. Copies of and a perpetual, worldwide, assignable, non-licensable, transferable, royalty-free, non-exclusive license to use and to prepare derivative works of (and to manufacture, reproduce, or have reproduced such derivative works) all training and other manuals, workflow documents, business processes, data definitions, and instructions used by Reuters in connection with the Estimates Databases, including all information and processes used to calculate consensus estimates;

6. At the option of the Acquirer, copies of and a perpetual, worldwide, assignable, non licensable, transferable, royalty-free, non-exclusive license to use and to prepare derivative works of (and to manufacture, reproduce, or have reproduced such derivative works) the following software (including source code and all documentation relating thereto):

i. All software used to compile, produce, operate, update, or maintain the Estimates Databases, including without limitation, software for collection, aggregation, verification, annotation, standardization, updating, indexing or tagging of Estimates (including the software components used to implement contributor permissioning of detailed estimates); and

ii. Any improvements, research or developments regarding the software described in Paragraph 5(i) above in existence at any time between January 1, 2007 and the Closing Date;

7. To the extent assignable, all Reuters customer contracts or assignable portions thereof for Direct Content Datafeed delivery of Estimates, including any contracts for delivery to clients by or through redistributors; and

8. To the extent assignable as set forth in Section IV.H of the Final Judgment, all contracts for the supply of Estimates or other third-party contributor data (including corporate actions and currency exchange rates) used by Reuters in the compilation, production, operation, updating, or maintenance of the Estimates Databases.

D. *Exclusions:* The Reuters Estimates Divestiture Assets do not include:

1. Any commercially-available hardware or software (including any superseded hardware or software for which more recent compatible versions are available), except to the extent of custom software modifications made by or for Reuters;

2. Any Reuters trademarks, service marks or brands or any licenses thereto (including without limitation any rights to use the names "Reuters" or "Multex," alone or in connection with any of the Reuters Estimates Divestiture Assets);

3. Any Reuters Instrument Codes or license(s) to use or distribute such codes, or any other proprietary identification systems of Reuters that are used to produce Reuters offerings other than Reuters Knowledge Direct—Estimates and that are not necessary to the compilation, production, operation, updating, or maintenance of the Estimates Databases;

4. Any customer contracts, except those assigned pursuant to Paragraph C.7 above;

5. Customer lists or customer account information, except as needed to effectuate the assignment of contracts described in Paragraph C.7 above;

6. Where Reuters uses any formulation, specification, trade secret, software program, patent, or source data (other than the contents of the Estimates Databases) described above substantially in the production or distribution of offering(s) other than the Estimates Databases, Defendants may limit the Acquirer's transferable license to use of such intellectual property solely in activities relating to the field of Estimates data.

E. The Reuters Aftermarket Research Divestiture Assets means copies of all master source databases containing Aftermarket Research used in, or in the production of Reuters Aftermarket

Research offerings, comprising the complete collection of Aftermarket Research as included in the Reuters Knowledge product, but excluding any research reports in such databases which Reuters is not licensed to sell as Aftermarket Research (individually and collectively, the "Aftermarket Research Databases"), and all tangible and intangible assets (or separable portions thereof) that Reuters uses in the compilation, production, operation, updating, or maintenance of the Aftermarket Research Databases, subject to the exclusions in Paragraphs F and G below, including:

1. A copy of the Aftermarket Research Databases, including any Third-Party Owned Aftermarket Research for which any requisite consents are obtained, and including any Aftermarket Research described in Schedule 5 for which the Acquirer agrees to the most favorable (to the redistributor) terms, including royalty rate, then provided by the owner of such Aftermarket Research to any other redistributor as of the Closing Date;

2. A copy (including any third-party owned data or material for which any requisite consents are obtained) of all data and other documentary material used, and all database annotations made, by Reuters in the collection, aggregation, normalization, standardization, updating, indexing or tagging of Aftermarket Research, including all data (subject to any requisite third-party consents) used to implement "embargo" periods, to block certain classes of users from accessing certain subsets of Aftermarket Research, or for purchase tracking, reporting and billing;

3. A perpetual, worldwide, assignable, sublicensable, transferable, royalty-free, non-exclusive license to market, distribute, and prepare derivative works of the Aftermarket Research Databases, data and documentation described in Paragraphs E.1 and E.2 (and to manufacture, reproduce, and have reproduced such derivative works), subject to the third-party consents described therein and any agreement(s) described in Paragraph E.1 above, without further compensation to Reuters and without any restriction other than as agreed to in Paragraph E.1 above or permitted in Paragraph F.5 below;

4. A perpetual, worldwide, assignable, sublicensable, transferable, royalty free, non-exclusive license of all intellectual property rights, formulations, specifications, trade secrets, know-how, and technical information embodied in the Aftermarket Research Databases or used in their compilation, production, operation, updating, or maintenance,

subject to the third-party consents described above;

5. Copies of and a perpetual, worldwide, assignable, non-licensable, transferable, royalty-free, non-exclusive license to use and to prepare derivative works of (and to manufacture, reproduce, or have reproduced such derivative works) all training and other manuals, workflow documents, business processes, data definitions, and instructions used by Reuters in connection with the Aftermarket Research Databases; and

6. At the option of the Acquirer, copies of and a perpetual, worldwide, assignable, non-licensable, transferable, royalty-free, non-exclusive license to use and to prepare derivative works of (and to manufacture, reproduce, or have reproduced such derivative works) the following software (including source code and all documentation relating thereto):

i. All software used to compile, produce, operate, update, or maintain the Aftermarket Research Databases, including without limitation software for collection, aggregation, normalization, standardization, updating, indexing, or tagging of Aftermarket Research (including any software component used to implement "embargo" periods, to block certain classes of users from accessing certain subsets of Aftermarket Research, or for purchase tracking, reporting and billing), and

ii. Any improvements, research or developments regarding the software described in subparagraph 6(i) above in existence at any time between January 1, 2007 and the Closing Date;

7. To the extent assignable as set forth in Section N.H of the Final Judgment, all contracts for the supply of Aftermarket Research used by Reuters in the compilation, production, operation, updating, or maintenance of the Aftermarket Research databases; and

8. A license to redistribute updates, additions, or future versions of any Aftermarket Research described in Schedule 5, on the most favorable (to the redistributor) terms, including royalty rate, then provided by the owner of such Aftermarket Research to any other redistributor as of the Closing Date.

F. *Exclusions:* The Reuters Aftermarket Research Divestiture Assets do not include:

1. Any commercially-available hardware or software (including any superseded hardware or software for which more recent compatible versions are available), except to the extent of custom software modifications made by or for Reuters;

H. For the avoidance of doubt, the parties shall not be required to divest any desktop product, including RMDS, ThomsonOne, Thomson Datastream, Reuters Knowledge desktop interface, or Reuters 3000Xtra, except any component thereof to the limited extent, if any, that such component is included in the definition of Divestiture Assets, in which case such component(s) shall be subject to Paragraphs B.5, D.6, and F.5, as applicable.

[illegible]

## ADDITIONAL PERSONNEL—Continued

	Bangalore	Manila	Cardiff	Other	Total
Total					

Role	Description of role	Location (number)
<b>2. ESTIMATES [REDACTED]</b>		

## SCHEDULE 3

## SCHEDULE 4—Continued

proposed acquisition. The Complaint alleges that the likely effect of this acquisition would be to lessen competition substantially for the distribution and sale of: (1) Fundamentals data; (2) earnings estimates data; and (3) aftermarket research reports in violation of Section 7 of the Clayton Act, 15 U.S.C. 18. This loss of competition likely would result in increased prices for customers.

At the same time the Complaint was filed, the United States also filed an Asset Preservation Stipulation and Order (“Stipulation”) and proposed Final Judgment, which are designed to eliminate the anticompetitive effects of the acquisition. Under the proposed Final Judgment, which is explained more fully below, Defendants are required to divest copies of Thomson’s fundamentals database, Reuters’ earnings estimates database, and Reuters’ aftermarket research reports and all associated tangible and intangible assets necessary to operate and distribute the databases in a competitive manner (hereafter the “Divestiture Assets”). Under the terms of the Stipulation, Defendants will take steps to ensure that the Divestiture Assets are preserved, maintained and operated as economically viable and ongoing competitive businesses.

The United States and Defendants have stipulated that the proposed Final Judgment may be entered after compliance with the APPA. Entry of the proposed Final Judgment would terminate this action, except that the Court would retain jurisdiction to construe, modify, or enforce the provisions of the proposed Final Judgment and to punish violations thereof.

[REDACTED]

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## SCHEDULE 5

Lipper Fact Sheets  
Lipper Mutual Fund Research  
Lipper Hedge Fund Research  
Reuters Company Research  
Reuters Investment Profiles  
StockVal Research Reports\*

\* Discontinued in 2005.

**United States District Court for the District of Columbia**

United States of America, Plaintiff, v.  
The Thomson Corporation and Reuters  
Group PLC, Defendants.

Case No.:

**Competitive Impact Statement**

Plaintiff United States of America, pursuant to section 2(b) of the Antitrust Procedures and Penalties Act (“APPA” or “Tunney Act”), 15 U.S.C. 16(b)–(h), files this Competitive Impact Statement relating to the proposed Final Judgment submitted for entry in this civil antitrust proceeding.

**I. Nature and Purpose of the Proceeding**

Defendant The Thomson Corporation (“Thomson”) and Defendant Reuters Group PLC (“Reuters”) entered into a dual-listing agreement, dated May 15, 2007, pursuant to which Thomson will control approximately 70% of the combined businesses. The United States filed a civil antitrust Complaint on February 19, 2008, seeking to enjoin the

## SCHEDULE 4

[REDACTED]

## II. Description of the Events Giving Rise to the Alleged Violation

### A. The Defendants and the Proposed Transaction

Thomson and Reuters are information services companies with a substantial presence in the distribution and sale of financial data, software, and associated services to financial professionals. Thomson is a Canadian corporation with its principal place of business in Stamford, Connecticut—Of Thomson's 2007 annual revenue of \$7.3 billion, \$2.2 billion came from the collection and distribution of a wide variety of financial data including securities prices, company profile and financial information (known as "fundamentals"), financial news, earnings estimates, analyst research, and economic data. Thomson's leading brands include Thomson ONE terminals, FirstCall estimates and research, IIB/E/S estimates, and Worldscope fundamentals. Thomson has operations in all of the World's major markets and has customers around the globe.

Reuters is a British public limited company with its principal place of business in London, England. Though Reuters is best known to consumers through its global media brand, \$3.6 billion of the approximately \$3.9 billion annual revenue through September 30, 2007, came from the sale of financial data products, services, and software. Like Thomson, Reuters collects and aggregates a broad range of financial and economic data, including fundamentals data, earnings estimates data, and aftermarket research reports. Reuters' major brands include its 3000 Xtra, Trader, and Station terminals; Reuters Market Data System software for disseminating data feeds throughout enterprises; Reuters Fundamentals (formerly Multex Fundamentals); and Reuters Estimates (formerly Multex Estimates). Reuters has operations and significant revenues in all major markets around the world.

The proposed transaction, as initially agreed by Defendants on May 15, 2007, would lessen competition substantially in the markets for fundamentals data, earnings estimates data, and aftermarket research reports. This acquisition is the subject of the Complaint and proposed Final Judgment filed by the United States on February 19, 2008.

### B. The Competitive Effects of the Transaction on the Relevant Markets for Fundamentals Data, Earnings Estimates Data, and Aftermarket Research Reports

#### 1. Financial Data

Investment managers, investment bankers, traders, corporate managers, and others ("institutional financial data users") use financial data to support investment decisions and to provide advice to their firms or clients. These data include relevant news information, pricing information on various types of investment vehicles, and descriptive and predictive data about individual companies, market sectors, and the economy. Although some financial information, such as delayed stock prices and basic news, is available for no charge on public web sites, most institutional financial data users need, and are willing to pay for, higher quality data such as real-time securities prices, real-time standardized earnings estimates, comprehensive and error-checked fundamentals data, pricing data for fixed-income securities, financial, analytic tools, and proprietary news and analysis.

Financial data firms such as Thomson and Reuters deliver financial data and other products to their institutional financial data users through a variety of distribution channels. The largest is the so-called "terminals" channel, whereby financial data providers package a number of different types of financial data, such as quotes and prices for a variety of financial instruments, fundamentals data, earnings estimates data, macroeconomic data, and real-time and aftermarket research: reports, as well as news, charting, and other analytic tools—These types of financial data, analytic tools, and news, sold in a variety of packaged configurations with optional content and features, are delivered through customized graphical user interfaces to institutional financial data users' desktop computers: These products are sold by subscription, generally on a per-user or enterprise basis, with pricing generally based on a single price for the bundled products and separately priced optional additions.

Financial data providers like Thomson and Reuters also deliver financial data through electronic data feeds. Some such feeds are sold directly to institutional financial data users, allowing those users to assemble their own package of financial data, analytic tools, and news; integrate the data with its own applications; and distribute the data within its own organization to users' desktops. Feeds are also sold on a wholesale basis to third parties, along

with redistribution rights allowing those firms to distribute the data to their own terminal or internet-based customers. Thomson and Reuters have competed to redistribute such data to third party providers of financial data terminals to institutional financial data users; These third party providers of financial data terminals rely on access to certain types of financial data, for which Thomson or Reuters are the principal providers.

#### 2. Relevant Product Markets

The Complaint alleges that the combination of Thomson and Reuters,—as initially agreed to by Defendants, would cause competitive harm in the markets for the distribution and sale of fundamentals data, earnings estimates data, and aftermarket research reports.

#### a. Fundamentals Data

Fundamentals are data concerning the financial performance and other attributes of companies, including information from financial statements, calculated financial ratios, per share data, product information, and company profile data. Fundamentals data can pertain to both publicly traded or privately held companies and both U.S. and foreign companies. Financial data providers produce their fundamentals data by harvesting "as reported" information from the financial statements of thousands of companies and inputting the information in a database. The as-reported financial data then undergo processes of "normalization" into a consistent language and format, and "standardization" to a common accounting convention so that institutional financial data users can compare companies across currencies, geographies, and accounting standards. Financial data providers add additional value by combining the company data with share data from stock exchanges, calculating a variety of financial ratios, error-checking the data, and maintaining electronic distribution systems to reach subscribers.

Institutional financial data users place significant value on fundamentals data that is available for a long time period using a consistent methodology. Many financial analysts and designers of electronic trading programs (sometimes known as "algorithmic traders") use statistical methods to decide when to buy or sell securities. Such institutional financial data users rely on the availability of many years of uniformly calculated, error-checked fundamentals data with which to develop and test their statistical models.

Fundamentals data constitute a relevant antitrust market under section



7 of the Clayton Act. A hypothetical monopolist of fundamentals data would be able to impose a small but significant, non-transitory increase in price without losing sufficient sales to make the price increase unprofitable.

#### b. Earnings Estimates Data

An earnings estimate is a prediction of a company's earnings, often expressed in terms of quarterly or yearly earnings per share. Financial data providers collect earnings estimates from broker reports on an ongoing basis. Collecting earnings estimates data involves obtaining the research reports from a wide range of brokerage houses and other financial institutions. Some firms maintain databases of published earnings estimates going back years or decades. Errors in the data are corrected, and as-reported data is normalized according to common accounting conventions. Financial data providers also calculate various consensus estimates across industries or sectors. These functions add significant value.

Institutional financial data users use earnings estimates data when they decide whether to trade or invest in individual securities. Some institutional financial data users use historical earnings estimates data to evaluate investment strategies. For example, an analyst with a quantitative model for evaluating stock investments may back-test the proposed model with ten years of earnings history data to determine whether the model would have accurately predicted past price movements.

The distribution and sale of earnings estimates data is a relevant antitrust market under Section 7 of the Clayton Act. A hypothetical monopolist in the distribution of earnings estimates data would be able to impose a small but significant, non-transitory increase in price without losing sufficient sales to make the price increase unprofitable.

#### c. Aftermarket Research Reports

Research reports are detailed research documents prepared by analysts at investment banks and brokerage firms which evaluate the prospects of specific securities. These reports explain analysts' opinions and include financial projections, such as the company's projected earnings per share of stock at the end of the company's next fiscal quarter.

A financial institution typically provides research reports to its customers immediately, so that customers can use the research in trading—Such customers may obtain reports through a financial data terminal, by email, or from authorized

password-protected websites. Later, after an embargo period of days or weeks, banks and brokerages typically allow their reports to be released, sometimes for a fee, to other third parties.

Financial data providers aggregate and distribute research reports from hundreds of investment banks and brokerages, distribute them in real-time to entitled customers of the authoring investment banks and brokerages upon publication, and offer to sell them to other third parties once they are no longer embargoed (i.e., in the "aftermarket"). As relevant here, in order to provide their aftermarket research distribution services, financial data providers have developed infrastructure including a database of the reports and an electronic distribution system. These firms also create and maintain indices, tables of contents, and search tools so that third parties interested in purchasing research in the aftermarket can locate and compare the research reports available for purchase without having to contact individual banks and brokerages.

The distribution and sale of aftermarket research reports constitutes a relevant antitrust market under section 7 of the Clayton Act. A hypothetical monopolist in the distribution and sale of such reports would be able to impose a small but significant, non-transitory increase in price without losing sufficient sales to make the price increase unprofitable.

#### 3. Relevant Geographic Market

Fundamentals data, earnings estimates data, and aftermarket research reports are purchased and sold throughout the world by firms that offer their products on a global basis. The world constitutes a relevant geographic market for the distribution and sale of fundamentals data, earnings estimates data, and aftermarket research reports.

#### 4. Anticompetitive Effects

##### a. Fundamentals Data

Defendants are two of the world's top four providers of fundamentals data. Their products, Thomson Worldscope and Reuters Fundamentals, are highly regarded and well-accepted among institutional financial data users, including investment bankers, traders, money managers, and corporate managers. For institutional financial data users who require global coverage and significant historical content, Thomson's and Reuters' fundamentals products are each others' closest competitive substitutes. The loss of head-to-head competition between

Thomson and Reuters will make it likely that Thomson will unilaterally increase the price of fundamentals data. The combined firm likely would increase price both to institutional financial data users to whom they sell fundamentals data directly, either via data feed or as part of a financial data terminal product sold by Thomson or Reuters, as well as to institutional financial data users to whom Thomson and Reuters sell indirectly, via resellers that offer financial data terminals in competition with Thomson and Reuters. The combined firm would have the incentive and ability to increase the cost of data sold to resellers, or to discontinue such supply of fundamentals data altogether.

The response of other financial data providers will not prevent or undo the competitive harm that will likely result from the proposed merger. To the extent other providers rely on fundamentals data acquired from Thomson or Reuters, the combined firm would control the cost and availability of such data. Responses by firms with independent access to fundamentals data also would be unlikely to prevent or undo the transaction's competitive share. A significant number of institutional financial data users regard the products of Thomson and Reuters as their first and second choices when purchasing fundamentals data, and consider fundamentals data products offered by other financial data providers to be distant third choices. An insufficient number of institutional financial data users would switch to a competing fundamentals data product to defeat a price increase imposed unilaterally by the merged firm. Nor would entry or expansion by other financial data providers be sufficient to defeat the likely anticompetitive effects of Thomson's proposed acquisition of Reuters because entry into the market for fundamentals data is difficult, time consuming and costly.

Thomson and Reuters currently constrain each others' prices in the market for fundamentals data, and the elimination of competition between them will cause competitive harm in the form of an increased likelihood of higher prices and reduced quality for fundamentals data in violation of section 7 of the Clayton Act.

##### b. Earnings Estimates Data

Defendants are two of the three largest suppliers of earnings estimates data in the world, with a combined market share in excess of 70%. Moreover, for institutional financial data users that require earnings estimates data with broad, global, and historical coverage,

Defendants' earnings estimates products are each others' closest competitive substitutes. The loss of head-to-head competition between Thomson and Reuters will make it likely that Thomson will unilaterally increase the price of earnings estimates data. The combined firm likely would increase the price of earnings estimates data both to institutional financial data users to whom they sell estimates data directly, either via data feed or as part of a financial data terminal product sold by Thomson or Reuters, as well as to institutional financial data users to whom Thomson and Reuters sell indirectly, via resellers that offer financial data terminals in competition with Thomson and Reuters. The combined firm would have the incentive and ability to increase the cost of data sold to resellers, or to discontinue such supply of earnings estimates data altogether.

The response of other financial data providers will not prevent or undo the competitive harm that will likely result from the proposed merger. To the extent other financial data providers rely on earnings estimates data acquired from Thomson or Reuters, the combined firm would control the cost and availability of such data. Responses by firms with independent access to earnings estimates data also would be unlikely to prevent or undo the transaction's competitive harm. A significant number of institutional financial data users regard the products of Thomson and Reuters as their first and second choices when purchasing earnings estimates data, and consider earnings estimates data offered by other financial data providers to be distant third choices. An insufficient number of institutional financial data users would switch to a competing earnings estimates data product to defeat an anticompetitive price increase. Nor would entry or expansion by other financial data providers be sufficient to defeat the likely anticompetitive effects of Thomson's proposed acquisition of Reuters because entry into the market for earnings estimates data is difficult, time consuming and costly.

Thomson and Reuters currently constrain each others' prices in the market for earnings estimates data, and the elimination of competition between them will cause competitive harm in the form of an increased likelihood of higher prices and reduced quality for earnings estimates data in violation of section 7 of the Clayton Act.

#### c. Aftermarket Research Reports

Defendants are the number one and two distributors of aftermarket research

reports in the world, with a combined market share in excess of 90%. Both are significantly larger than the third largest distributor of aftermarket research reports. Thomson and Reuters are each others' two closest substitutes in the distribution and sale of aftermarket research reports. The loss of head-to-head competition between Thomson and Reuters will make it likely that Thomson will unilaterally increase the price of aftermarket research reports.

The responses of other financial data providers would not prevent or undo the competitive harm that will likely result from the proposed merger. Other firms lack the requisite relationships with hundreds of investment banks and brokerage firms and a comprehensive collection of research reports, which is both highly valued by institutional financial data users and extremely costly to duplicate. A significant number of financial data users regard the products distributed by Thomson and Reuters as their first and second choices when purchasing aftermarket research reports, and consider aftermarket research report distribution offered by other financial data providers to be distant third choices. An insufficient number of institutional financial data users would switch to a competing aftermarket research report distributor to defeat a price increase imposed unilaterally by the merged firm. Nor would entry or expansion by other financial data providers be sufficient to defeat the likely anticompetitive effects of Thomson's proposed acquisition of Reuters because entry into the market for aftermarket research reports is difficult, time consuming, and costly.

Thomson and Reuters currently constrain each others' prices in the market for aftermarket research reports, and the elimination of competition between them will cause competitive harm in the form of an increased likelihood of higher prices and reduced quality for aftermarket research reports in violation of section 7 of the Clayton Act.

### III. Explanation of the Proposed Final Judgment

#### A. The Divestiture Assets

The Divestiture Assets, described in detail in Schedule 1 to the proposed Final Judgment, include all of the assets necessary for an Acquirer(s) that possesses the capability to service institutional financial data users to provide independent and economically viable competition to the merged firm in the markets for distribution and sale of fundamentals data, earnings estimates

data, and aftermarket research reports. The sale of the Divestiture Assets to a qualified Acquirer(s) will thus remedy the anticompetitive effects alleged in the Complaint.

The Divestiture Assets have been carefully tailored to maintain the level of competition that currently exists while avoiding significant and unnecessary disruption for Defendants' customers that purchase bundled terminal services and respecting the intellectual property rights of third parties. The Divestiture Assets include (1) Intellectual property (copies of databases, along with software and technical information), (2) rights to hire necessary personnel, (3) assignment of contributor contracts, (4) assignment of certain customer contracts that will provide the Acquirer(s) access to an ongoing revenue stream, and (5) a variety of transitional support services. Specifically, the Defendants are required to divest copies of the source databases of (1) Thomson's Worldscope fundamentals products, (ii) Reuters' earnings estimates products, and (iii) Reuters' aftermarket research products (which together encompass all of the data and/or research contained in the databases used by Thomson or Reuters to compete in the relevant markets), along with all tangible and intangible assets that an Acquirer(s) would need to operate and maintain the databases and promptly use them to produce competitively viable fundamentals, earnings estimates, and aftermarket research products. The proposed Final Judgment requires the Defendants to provide the Acquirer(s) rights to intellectual property, such as software or trade secrets, used to produce and maintain fundamentals data, earnings estimates data, or aftermarket research reports, even if Thomson or Reuters also use those assets for products that are not being divested. With respect to those Divestiture Assets that Defendants make substantial use of for products other than those relating to fundamentals, earnings estimates, and aftermarket research, the Defendants may restrict the use by the Acquirer(s) of such assets to the field of fundamentals, earnings estimates, and aftermarket research, as appropriate. Finally, the proposed Final Judgment does not require the Defendants to divest certain tangible and intangible assets used in connection with the Defendants' fundamentals, earnings estimates, and aftermarket research products the divestiture of which would not advance the ability of the Acquirer(s) to compete effectively in the pertinent market, given that the Acquirer(s) would have its own access

to such assets. For example, the Defendants need not divest commercially available hardware and software, their trademarks, or land and buildings.

#### *B. Selected Provisions of the Proposed Final Judgment*

The proposed Final Judgment requires Defendants to take several steps to assist the Acquirer(s) in using the Divestiture Assets in order to enable the Acquirer(s) to provide prompt and effective competition in the relevant markets. Paragraph IV(C) provides that the Defendants must provide the Acquirer(s) with information about key personnel, identified in Schedule 2 to the proposed Final Judgment, involved in operating the Divestiture Assets, so that the Acquirer(s) can make offers of employment to such persons. That Paragraph also prohibits Defendants from interfering with any negotiations by the Acquirer(s) to employ such personnel. Paragraph IV(D) prohibits the Defendants from re-hiring any such persons for a period of 18 months from the date of filing of the Complaint.

Because the Acquirer(s) may need assistance in developing a detailed understanding of the databases and software comprising the Divestiture Assets, and may need time to develop their own capabilities to update the databases on an ongoing basis, Paragraph IV(K) of the proposed Final Judgment gives the Acquirer(s) the option to enter into a transitional support agreement for up to one year for aftermarket research reports and up to 1.8 months for fundamentals and earnings estimates data. At the option of the Acquirer(s), such a transitional support agreement may require the combined firm to provide consulting and support services as well as regular updates to the databases comparable to those made by the combined firm to its own comparable databases.

In order to enable the Acquirer(s) to become a viable competitor in the markets for earnings estimates data and aftermarket research, Paragraph N(G) of the proposed Final Judgment, for a period of two (2) years, prohibits Defendants from entering into any new exclusive agreements with third-party contributors of such data, and limits the terms and conditions under which Defendants may renew existing exclusive agreements with third-party contributors of such data.

Other provisions of the proposed Final Judgment also take into account that the fundamentals, earnings estimates, and aftermarket research databases to be divested contain material contributed by third parties

over which those third parties assert continuing intellectual property rights pursuant to contracts with the Defendants. The proposed Final Judgment gives the Acquirer(s) access to such third-party contributed data in a manner that respects the third parties' rights. Specifically, Paragraph IV(H), regarding earnings estimates data and aftermarket research reports, requires that the Defendants use their best efforts to assign to the Acquirer(s) all contracts with third parties for contributed data. Where the Defendants obtain assignment of the contribution contracts to the Acquirer(s) (or otherwise obtain the third parties' consent), copies of the third-party content will pass to the Acquirer(s) as part of the Divestiture Assets. Where such assignments or other third-party consent are not obtained on or before the sale of the applicable Divestiture Assets, Defendants must continue to use their best efforts to obtain assignments of such contracts until the earlier of (1) The date on which the Acquirer(s) of the Reuters earnings estimates and aftermarket research databases have contribution agreements with eighty percent (80%) of all third-party contributors and 22 of the 25 most significant contributors (identified in Schedules 3 and 4 to the proposed Final Judgment) that provided earnings estimates data and/or aftermarket research reports to Reuters pursuant to contract as of the filing date of the Complaint; or (2) two years after the date of entry of the Final Judgment. Paragraph IV(I) contains similar requirements relating to the assignment of third-party contracts for fundamentals data. To the extent necessary third-party consents for fundamentals data, earnings estimates data, or aftermarket research reports are not obtained before Defendants complete the sale of the applicable Divestiture Assets, Paragraph IV(J) obligates the Defendants to maintain copies of third-party content, which will be provided to the Acquirer(s), with all intervening updates, at the same time as needed consents are obtained.

Paragraph V of the proposed Final Judgment permits the appointment of a Monitoring Trustee by the United States in its sole discretion and in good faith consultation with the European Commission, subject to the Court's approval. If appointed, the Monitoring Trustee will have the power and authority to monitor Defendants' compliance with the terms of the Final Judgment and the Stipulation. The Monitoring Trustee will have access to all personnel, books, records, and

information necessary to monitor such compliance, and will serve at the cost and expense of Thomson. The Monitoring Trustee will file monthly reports with the United States and the Court setting forth Defendants' efforts to comply with their obligations under the proposed Final Judgment and the Stipulation.

1. The European Commission ("EC") conducted a parallel investigation of the proposed acquisition of Reuters by Thomson. To remedy competition concerns in Europe, the Defendants have entered into Commitments to the EC to restore competition in certain markets, including those for fundamentals data, earnings estimates data, and aftermarket research reports. Although the substantive provisions of the proposed Final Judgment and the EC Commitments are much the same, there will be a need for consultations between the Department of Justice and EC regarding certain events such as the selection of the Monitoring Trustee, Old Divestiture Trustee, if necessary, and approval of the Acquirer(s).

When the United States seeks a divestiture to remedy an antitrust harm in the context of an acquisition, it requires that the divestiture be completed within the shortest period of time reasonable under the circumstances. Paragraph IV(A) of the proposed Final Judgment requires the Defendants to complete the sale of the Divestiture Assets within 60 calendar days after the filing of the Complaint, or five calendar days after notice of the entry of this Final Judgment by the Court, whichever is later.

2. The proposed Final Judgment also provides that this 60-day time period may be extended by the United States in its sole discretion for a total period not exceeding 60 calendar days, and that the Court will receive prior notice of any such extension.

Sale of the Divestiture Assets may be made to one or more Acquirers, provided that in each instance it is demonstrated to the sole satisfaction of the United States that the assets will remain viable and the divestiture of the assets will remedy the competitive harm alleged in the Complaint. The assets must be divested in such a way as to satisfy the United States in its sole discretion that the assets can and will be used by the Acquirer(s) as part of a viable, ongoing business that can compete effectively in the relevant markets. Defendants must take all reasonable steps necessary to accomplish the divestitures quickly and shall cooperate with prospective purchasers.

Paragraph VI of the proposed Final Judgment provides that, in the event the Defendants do not accomplish the divestitures within the periods prescribed in the proposed Final Judgment, the Court will appoint a Divestiture Trustee, selected by the United States in good faith consultation with the European Commission, to effect the divestitures. If a Divestiture Trustee is appointed, the proposed Final Judgment provides that Defendants will pay all costs and expenses of the Divestiture Trustee. The Divestiture Trustee's fee arrangement will be structured so as to provide an incentive for the Divestiture Trustee based on the price obtained and the speed with which the divestitures are accomplished. After his or her appointment becomes effective, the Divestiture Trustee will file monthly reports with the Court and the United States setting forth his or her efforts to accomplish the divestitures. At the end of six months, if the divestitures have not been accomplished, the Divestiture Trustee and the United States will make recommendations to the Court, which shall enter such orders as appropriate, in order to carry out the purpose of the trust, including extending the trust or the term of the Divestiture Trustee's appointment.

Taken together, the assets to be divested and the other obligations imposed by the proposed Final Judgment will enable a qualified Acquirer(s) with a demonstrated ability to distribute financial data to institutional financial data users to provide prompt and effective competition with the combined firm in the markets for fundamentals data, earnings estimates data, and aftermarket research, both by distributing such data directly to institutional financial data customers on a stand-alone basis, and by ensuring that providers of financial data terminal services have access to such data from a source other than the combined firm and are thus able to distribute such data to institutional financial data customers that purchase such data through financial data terminals.

#### *C. Asset Presentation: Stipulations and Order*

Defendants have entered into the Stipulation, filed simultaneously with the Court, to ensure that, pending the divestitures, the Divestiture Assets are maintained as ongoing, economically viable, and active business concerns, and Defendants will accomplish the divestitures required by the proposed Final Judgment. The Stipulation will ensure that the Assets are preserved and

maintained in a condition that allows the divestitures to be effective. It specifically requires that the Defendants not take any steps to disrupt the provision of data to firms that resell such data in competition with them until the Acquirer(s) are able to be a viable alternative source for such data. It also requires that the parties independently price the stand-alone sale of any relevant product; Defendants' compliance with these provisions will be monitored by the independent Monitoring Trustee and enforced by the Court.

The Stipulation does not more broadly require the Defendants to operate their own products that include the databases to be divested as separate and independent businesses: The United States concluded in the unique circumstances of this case that such a requirement was not necessary to ensure effective relief or protect competition pending the completion of the required divestitures.

#### **IV. Remedies Available to Potential Private Litigants**

Section 4 of the Clayton Act, 15 U.S.C. 15, provides that any person who has been injured as a result of conduct prohibited by the antitrust laws may bring suit in federal court to recover three times the damages the person has suffered, as well as costs and reasonable attorneys' fees. Entry of the proposed Final Judgment will neither impair nor assist the bringing of any private antitrust damage action. Under the provisions of Section 5(a) of the Clayton Act, 15 U.S.C. 16(a), the proposed Final Judgment will have no prima facie effect in any subsequent private lawsuit that may be brought against Defendants.

#### **V. Procedures Available for Modification of the Proposed Final Judgment**

The United States and Defendants have stipulated that the proposed Final Judgment may be entered by the Court after compliance with the provisions of the APPA, provided that the United States has not withdrawn its consent. The APPA conditions entry upon the Court's determination that the proposed Final Judgment is in the public interest.

The APPA provides a period of at least 60 days preceding the effective date of the proposed Final Judgment within which any person may submit to the United States written comments regarding the proposed Final Judgment. Any person who wishes to comment should do so within sixty (60) days of the date of publication of this Competitive Impact Statement in the **Federal Register**, or the last date of

publication in a newspaper of the summary of this Competitive Impact Statement, whichever is later. All comments received during this period will be considered by the United States Department of Justice, which remains free to withdraw its consent to the proposed Final Judgment at any time prior to the Court's entry of judgment. The comments and the response of the United States will be filed with the Court and published in the **Federal Register**.

Written comments should be submitted to: James J. Tierney, Chief, Networks and Technology Enforcement Section, Antitrust Division, United States Department of Justice, 600 E Street, NW., Suite 9500, Washington, DC 20530.

The proposed Final Judgment provides that the Court retains jurisdiction over this action, and the parties may apply to the Court for any order necessary or appropriate for the modification, interpretation, or enforcement of the Final Judgment.

#### **VI. Alternatives to the Proposed Final Judgment**

The United States considered, as an alternative to the proposed Final Judgment, a full trial on the merits against Defendants. The United States could have continued the litigation and sought preliminary and permanent injunctions against Thomson's acquisition of Reuters. The United States is satisfied, however, that the divestiture of assets described in the proposed Final Judgment will preserve competition for the distribution and sale of fundamentals data, earnings estimates data, and aftermarket research reports. Thus, the proposed Final Judgment would achieve all or substantially all of the relief the United States would have obtained through litigation, but avoids the time, expense, and uncertainty of a full trial on the merits of the Complaint.

#### **VII. Standard of Review Under The APPA for the Proposed Final Judgment**

The Clayton Act, as amended by the APPA, requires that proposed consent judgments in antitrust cases brought by the United States be subject to a 60-day comment period, after which the court shall determine whether entry of the proposed Final Judgment "is in the public interest." 15 U.S.C. 16(e)(1). In making that determination, the court, in accordance with the statute as amended in 2004, is required to consider:

(A) The competitive impact of such judgment, including termination of alleged violations, provisions for enforcement and modification, duration of relief sought, anticipated effects of alternative remedies

actually considered, whether its terms are ambiguous, and any other competitive considerations bearing upon the adequacy of such judgment that the court deems necessary to a determination of whether the consent judgment is in the public interest; and

(B) the impact of entry of such judgment upon competition in the relevant market or markets, upon the public generally and individuals alleging specific injury from the violations set forth in the complaint including consideration of the public benefit, if any, to be derived from a determination of the issues at trial.

15 U.S.C. 16(c)(1)(A) & (B). In considering these statutory factors, the court's inquiry is necessarily a limited one as the government is entitled to 'broad discretion to settle with the defendant within the reaches of the public interest,' *United States v. Microsoft Corp.*; 56 F.3d 1448, 1461 (D.C. Cir. 1995); see generally *United States v. SBC Commc'ns, Inc.*, 489 F. Supp. 2d 1 (D.D.C. 2007) (assessing public interest standard under the Tunney Act).

3. The 2004 amendments substituted "shall" for "may" in directing relevant factors for court to consider and amended the list of factors to focus on competitive considerations and to address potentially ambiguous judgment terms. Compare 15 U.S.C. 16(e) (2004), with 15 U.S.C. 16(e)(1) (2006); see also *SBCCommc'ns*, 489 F. Supp. 2d at 1 t (concluding that the 2004 amendments "effected minimal changes" to Tunney Act review);

As the United States Court of Appeals for the District of Columbia Circuit has held, under the APPA a court considers, among other things, the relationship between the remedy secured and the specific allegations set forth in the government's complaint, whether the decree is sufficiently clear, whether enforcement mechanisms are sufficient, and whether the decree may positively harm third parties. See *Microsoft*, 56 F.3d at 1458–62. With respect to the adequacy of the relief secured by the decree, a court may not "engage in an unrestricted evaluation of what relief would best serve the public." *United States v. BNS, Inc.*, 858 F.2d 456, 462 (9th Cir. 1988) (citing *United States v. Bechtel Corp.*, 648 F.2d 660, 666 (9th Cir. 1981)); see also *Microsoft*, 56 F.3d at 1460–62; *United States v. Alcoa, Inc.*, 152 F. Supp. 2d 37.40 (D.D.C. 2001). Courts have held that:

[t]he balancing of competing social and political interests affected by a proposed antitrust consent decree must be left, in the first instance, to the discretion of the Attorney General. The court's role in protecting the public interest is one of insuring that the government has not

breached its duty to the public in consenting to the decree. The court is required to determine not whether a particular decree is the one that will best serve society, but whether the settlement is "within the reaches of the public interest." More elaborate requirements might undermine the effectiveness of antitrust enforcement by consent decree.

*Bechtel*, 648 F.2d at 666 (emphasis added) (citations omitted).<sup>4</sup> In determining whether a proposed settlement is in the public interest, a district court "must accord deference to the government's predictions about the efficacy of its remedies, and may not require that the 'remedies perfectly match the alleged violations'" *SBC Commc'ns*, 489 F. Supp. 2d at 17; see also *Microsoft*, 56 F.3d at 1461 (noting the need for courts to be "deferential to the government's predictions as to the effect of the proposed remedies"); *United States v. Archer-Daniels, Midland Co.*, 272 F. Supp., 2d 1, 6 (D.D.C. 2003) (noting that the court should grant due respect to the United States' prediction as to the effect of proposed remedies, its perception of the market structure, and its views of the nature of the case).

4. Cf. *BNS*, 858 F.2d at 464 (holding that the court's "ultimate authority under the [APPA] is limited to approving or disapproving the consent decree"); *United States v. Gillette Co.*, 406 F. Supp. 713, 716 (D. Mass. 1975) (noting that, in this way, the court is constrained to "look at the overall picture not hypercritically, nor with a microscope, but with an artist's reducing glass"). See generally *Microsoft*, 56 F.3d at 1461 (discussing whether "the remedies [obtained in the decree are] so inconsonant with the allegations charged as to fall outside of the 'reaches of the public interest'").

Courts have greater flexibility in approving proposed consent decrees than in crafting their own decrees following a finding of liability in a litigated matter. "[A] proposed decree must be approved even if it falls short of the remedy the court would impose on its own, as long as it falls within the range of acceptability or is 'within the reaches of public interest.'" *United States v. Am. Tel & Tel. Co.*, 552 F. Supp. 131, 151 (D.D.C. 1982) (citations omitted) (quoting *United States v. Gillette Co.*, 406 F. Supp. 713, 716 (D. Mass. 1975)), *aff'd sub norn. Maryland v. United States*, 460 U.S. 100 1 (1983); see also *United States v. Alcan Aluminum Ltd.*, 605 F. Supp. 619, 622 (W.D. Ky. 1985) (approving the consent decree even though the court would have imposed a greater remedy). To meet this standard, the United States

"need only provide a factual basis for concluding that the settlements are reasonably adequate remedies for the alleged harms." *SBCCommc'ns*, 489 F. Supp. 2d at 17.

Moreover, the court's role under the APPA is limited to reviewing the remedy in relationship to the violations that the United States has alleged in its Complaint, and does not authorize the court to "construct [its] own hypothetical case and then evaluate the decree against that case." *Microsoft*, 56 F.3d at 1459. Because the "court's authority to review the decree depends entirely on the government's exercising its prosecutorial discretion by bringing a case in the first place," it follows that "the court is only authorized to review the decree itself" and not to "effectively redraft the complaint" to inquire into other matters that the United States did not pursue. *Id.* at 1459–60. As this Court recently confirmed in *SBC Communications*, courts "cannot look beyond the complaint in making the public interest determination unless the complaint is drafted so narrowly as to make a mockery of judicial power." *SBCL'ornmc'ns*, 489 F. Supp. 2d at 15.

In its 2004 amendments, Congress made clear its intent to preserve the practical benefits of utilizing consent decrees in antitrust enforcement, adding the unambiguous instruction that "[n]othing in this section shall be construed to require the court to conduct an evidentiary hearing or to require the court to permit anyone to intervene." 15 U.S.C. 16(e)(2). The language wrote into the statute what Congress intended when it enacted the Tunney Act in 1974, as Senator Tunney explained: "[t]he court is nowhere compelled to go to trial or to engage in extended proceedings which might have the effect of vitiating the benefits of prompt and less costly settlement through the consent decree process." 119 Cong. Rec. 24,598 (1973) (statement of Senator Tunney). Rather, the procedure for the public interest determination is left to the discretion of the court, with the recognition that the court's "scope of review remains sharply proscribed by precedent and the nature of Tunney Act proceedings." *SBC Commc'ns*, 489 F. Supp. 2d at 11.

5. See *United States v. Enova Corp.*, 107 F. Supp. 2d 10, 17 (D.D.C. 2000) (noting that the "Tunney Act expressly allows the court to make its public interest determination on the basis of the competitive impact statement and response to comments alone"); S. Rep. No. 93–298, 93d Cong., 1st Sess., at 6 (1973) ("Where the public interest can be meaningfully evacuated simply on the basis of beefs and oral arguments, that

is the approach that should be utilized.”); *United States v. Hid-Ant. Dairymen, Inc.*, 1977–1 Trade Cas. (CCH) § 61,508; at 71,980 (W.D. Mo. 1977) (“Absent a showing of corrupt failure of the government to discharge its duty, the Court, in making its public interest finding, should ... carefully consider the explanations of the government in the competitive impact statement and its responses to comments in order to determine whether those explanations are reasonable under the circumstances”).

#### VIII. Determinative Documents

There are no determinative materials or documents within the meaning of the APPA that were considered by the United States in formulating the proposed Final Judgment.

Dated: February 19, 2008.

Respectfully submitted,

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#### DEPARTMENT OF LABOR

##### Employment and Training Administration

[TA-W-62,630]

##### Link Technologies, LLC; Brown City, MI; Notice of Affirmative Determination Regarding Application for Reconsideration

By applications dated March 3, 2008, a company official requested administrative reconsideration of the Department of Labor's Notice of Negative Determination Regarding Eligibility to Apply for Worker Adjustment Assistance, applicable to workers and former workers of the subject firm. The denial notice was signed on January 29, 2008, and published in the **Federal Register** on February 13, 2008 (73 FR 8370).

The initial investigation resulted in a negative determination based on the finding that imports of interior trim automotive components and subassemblies did not contribute importantly to worker separations at the

subject firm and no shift of production to a foreign source occurred.

In the request for reconsideration, the petitioner provided additional information regarding the subject firm customers.

The Department has carefully reviewed the requests for reconsideration and the existing record and determined that the Department will conduct further investigation to determine if the workers meet the eligibility requirements of the Trade Act of 1974.

#### Conclusion

After careful review of the applications, I conclude that the claim is of sufficient weight to justify reconsideration of the Department of Labor's prior decision. The application is, therefore, granted.

Signed in Washington, DC, this 11th day of March, 2008.

**Elliott S. Kushner,**

*Certifying Officer, Division of Trade Adjustment Assistance.*

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#### DEPARTMENT OF LABOR

##### Employment and Training Administration

##### Notice of Determinations Regarding Eligibility To Apply for Worker Adjustment Assistance and Alternative Trade Adjustment Assistance

In accordance with Section 223 of the Trade Act of 1974, as amended (19 U.S.C. 2273) the Department of Labor herein presents summaries of determinations regarding eligibility to apply for trade adjustment assistance for workers (TA-W) number and alternative trade adjustment assistance (ATAA) by (TA-W) number issued during the period of *March 3 through March 7, 2008*.

In order for an affirmative determination to be made for workers of a primary firm and a certification issued regarding eligibility to apply for worker adjustment assistance, each of the group eligibility requirements of Section 222(a) of the Act must be met.

I. Section (a)(2)(A) all of the following must be satisfied:

A. A significant number or proportion of the workers in such workers' firm, or an appropriate subdivision of the firm, have become totally or partially separated, or are threatened to become totally or partially separated;

B. the sales or production, or both, of such firm or subdivision have decreased absolutely; and

C. increased imports of articles like or directly competitive with articles produced by such firm or subdivision have contributed importantly to such workers' separation or threat of separation and to the decline in sales or production of such firm or subdivision; or

II. Section (a)(2)(B) both of the following must be satisfied:

A. A significant number or proportion of the workers in such workers' firm, or an appropriate subdivision of the firm, have become totally or partially separated, or are threatened to become totally or partially separated;

B. there has been a shift in production by such workers' firm or subdivision to a foreign country of articles like or directly competitive with articles which are produced by such firm or subdivision; and

C. One of the following must be satisfied:

1. The country to which the workers' firm has shifted production of the articles is a party to a free trade agreement with the United States;

2. the country to which the workers' firm has shifted production of the articles to a beneficiary country under the Andean Trade Preference Act, African Growth and Opportunity Act, or the Caribbean Basin Economic Recovery Act; or

3. there has been or is likely to be an increase in imports of articles that are like or directly competitive with articles which are or were produced by such firm or subdivision.

Also, in order for an affirmative determination to be made for secondarily affected workers of a firm and a certification issued regarding eligibility to apply for worker adjustment assistance, each of the group eligibility requirements of Section 222(b) of the Act must be met.

(1) Significant number or proportion of the workers in the workers' firm or an appropriate subdivision of the firm have become totally or partially separated, or are threatened to become totally or partially separated;

(2) the workers' firm (or subdivision) is a supplier or downstream producer to a firm (or subdivision) that employed a group of workers who received a certification of eligibility to apply for trade adjustment assistance benefits and such supply or production is related to the article that was the basis for such certification; and

(3) either—

(A) the workers' firm is a supplier and the component parts it supplied for the firm (or subdivision) described in paragraph (2) accounted for at least 20