## ORIGINAL

## **INTEGRITY GROUP**

♦ Security Consultants ◆Professional Investigators

Michael Ferrari Managing Partner

October 11, 2008

Donald S. Clark
Office of the Secretary
Federal Trade Commission
Room H-135
600 Pennsylvania Avenue, NW
Washington, DC 20580

Re: Proposed Consent Order

In the Matter of Reed Elsevier and ChoicePoint, FTC File No. 081-0133

Dear Mr. Clark:

I am writing to urge the Commission to, at minimum, extend the public comment period regarding the above-captioned matter. With the unprecedented financial market turmoil, this proposal has flown under the radar and it would be terrible public policy to proceed at this time.

My firm is a member of the California Association of Licensed Investigators which opposes the proposed consent order and acquisition of ChoicePoint by Reed Elsevier. Private Investigators and others who provide critical services to government agencies, law firms, businesses and individuals rely extensively on services provided by Reed Elsevier, ChoicePoint, their subsidiaries and resellers, to assist in serving these clients.

It was shocking to learn of this proposal as there already has been tremendous consolidation among providers of public records services over the past few years. Although there are several providers of data services in the marketplace, they are resellers of data provided by the respondents. This acquisition will reduce competition in the industry to an unacceptable level – and would compromise the reliability of the information which is crucial to commerce and the legal system, especially at this critical moment in time.

The financial shock was caused in great part by improper information distributed by the oligopoly of rating agencies. As well, credit reports are known to be riddled with errors. There is a parallel here – the fewer the sources of information, the greater the chance of error, and the lesser the opportunity to discover error.

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The Commission's complaint found that this acquisition would be anticompetitive and a violation of antitrust law in the market for the sale of public records information to law enforcement agencies. The same effects would be felt in the market for sale of public records to the private sector.

In addition, the vast majority of investigative and security consulting firms are small businesses which do not have the financial weight to bargain effectively with large entities in a non-competitive environment.

We urge that the Commission not approve the acquisition until respondents can divest themselves of public records services provided to private industry as well as to law enforcement.

Unless an appropriate remedy is offered, our members and their clients will suffer irreparable harm. When competition is reduced, incentives for innovation are reduced, prices rise and service suffers.

I, and other industry leaders, plead with you to allow us the opportunity to further submit information to the Commission before a decision is made.

Thank you for your consideration.

Sincerely,

/s/

Michael Ferrari Managing Partner

/jr