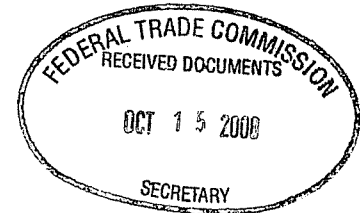


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13 October 2008

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'm writing on behalf of the New Jersey Licensed Private Investigators of New Jersey regarding the proposed consent order and acquisition of ChoicePoint by Reed Elsevier.

Our association is comprised of investigators who provide critical services to government agencies, attorneys, state and US courts and others. We rely extensively on services provided by both Reed Elsevier and ChoicePoint and their subsidiaries to assist us in serving these clients.

Over the past several years there has been tremendous consolidation among providers of public records services. This proposed acquisition will further reduce competition in the industry. Although there are several providers of data services in the marketplace, they are resellers of data provided by the respondents.

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.

It is important to have access to data from several suppliers during the conduct of an investigation. Limited resources reduce both the quality and quantity of information available. And our members, many of whom are small

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businesses, 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.

Below, please find a report(White paper) regarding this proposed Acquisition

Thank you for your consideration.

Cliff K. Goldsmith
NJLPIA Vice President, Executive Director

HERE IS THE WHITE PAPER

Reed Elsevier's Acquisition of ChoicePoint Raises Serious Competitive Concerns

On February 21, 2008, Reed Elsevier announced its \$4.1 billion acquisition of ChoicePoint. As outlined below, this combination raises serious competitive concerns in a market in which Reed Elsevier and ChoicePoint are currently the two dominant players.

Reed Elsevier purchased Seisint, the company that developed Accurint in August 31st, 2004 for \$775 million. ChoicePoint CPS(NYSE) merged with DBT(NYSE) on May 16th, 2000 which represented over 50% of the pre-merger valuation of ChoicePoint. DBT's entire business was their product

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AutoTrack. The great majority of income of Seisint was Accurint and products that were enhanced from Accurint particularly for Law Enforcement and Homeland Security.

Used millions of times a day, AutoTrack and Accurint are the only competitors to each other serving Law Enforcement, the investigative industries and used to keep commerce safe from fraud.

1. Law Enforcement: Federal, Intel, State, County, City and Task Forces
2. State and Federal Prosecutors and Public Defenders
3. Attorneys
4. Insurance Fraud especially in SIU (Special Investigative Units) departments.
5. Investigative News
6. Collections: Credit Card, Bank Loans, Mortgages, all debt in general.
7. Private Investigators
8. General Business for fraud prevention.

These two systems are the only two online systems that offer one-stop comprehensive public records reports on people and companies: (1) Accurint and (2) AutoTrack. These two products are distinct from other public record databases both in the amount and types of information they provide but also in the way in which these systems collate and link all of these data elements in a single view with interactive links allowing the user to further research a subject matter. These properties make Accurint and AutoTrack the only products capable of serving these industries in this manner.

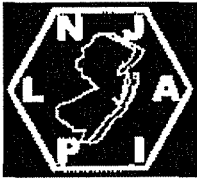
The very unique capabilities of these two systems are their ability to link the following to a subject that otherwise would not be able to be linked to individuals:

1. Deep address history going back decades.
2. Previous and current assets, who they were purchased from and who they were sold to.
3. Professional Licenses
4. Criminal Records
5. Accident Histories
6. Bankruptcies and Judgments
7. UCC Filings
8. Company and Corporate Affiliations

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9. Associates, Previous Associates
10. Relatives
 - a. Relatives of relatives
 - i. Relatives of relative's relatives
11. Neighbors and current residents in neighbors' households

Note: For Law Enforcement, there are many more unique linkages provided.
Note 2: Similar unique capabilities exist for researching companies.
Currently, Accurint is owned by Reed Elsevier and AutoTrack is owned by ChoicePoint. Accordingly, by unifying ownership of the two products, the Reed Elsevier/ChoicePoint combination would create a monopoly in the relevant market. The Reed Elsevier/ChoicePoint combination therefore threatens to destroy the only check on price by combining the two competitors in the market.

The only potential competitor who stands ready to enter the market and has the requisite technical expertise and financial wherewithal to do so is Hank Asher, the inventor and original developer of both Accurint and AutoTrack. It took Mr. Asher years to develop and market Accurint and AutoTrack. Mr. Asher, however, is now barred from entering the market by a non-compete agreement with Reed Elsevier. This non-compete eliminates for a period of time the only viable competitor to the Reed Elsevier/ChoicePoint monopoly.

I. The Reed/ChoicePoint Combination Would Effect a 2-to-1 Merger

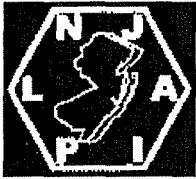
- a. Accurint and AutoTrack are products utilized to obtain detailed biographical information about people and companies. These products allow a user to fill in any amount of data they have, as little as that might be, to find the right person (i.e., Linda Smith, 50 mile radius of Chicago, between the age of 50 and 55). Once the person is identified, then all of the other data on that person is immediately available in a linked report.
 - i. These products are utilized by consumers millions of times a day to investigate crime, collect money, investigate lawsuits, find missing relatives for organ donations, reunite families, and other similar purposes.

- ii. For reports on individuals, these products provide the following types of information to the consumer who purchases a search: deep address history going back decades, previous and current assets, who they were purchased from and who they were sold to, professional licenses, criminal records, accident histories, bankruptcies and judgments, UCC filings, company and corporate affiliations, associates, previous associates, relatives, relatives of relatives, relatives of relative's relatives, and

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neighbors and current residents in neighbors' households.

iii. For reports on businesses, these products additionally provide the following types of information to the consumer who purchases a search: company name variations, corporation filings, business registrations, associated businesses, assets at address (motor vehicles, etc.), properties, and internet domain names.

b. The market for these products is a cognizable market under antitrust merger analysis.

i. Although there are minor differences between these products, they are each other's closest substitute.

1. Accurint and AutoTrack currently compete against one another for contracts with law enforcement agencies, insurance companies, law firms, and other large consumers of the product. They compete for customers and contracts based on price point (whether it be per search pricing or bulk pricing) and functionality (e.g., breadth of data and data analysis tools).

2. Many job postings in the relevant consumer industries require a candidate's proficiency in either Accurint or AutoTrack.

ii. There are no substitutes for these two products.

1. Both Accurint and AutoTrack have consistently increased their prices without attracting viable new entrants to the market.

a. For example, since 2004, Accurint has increased the price for its most common search (the basic person search) 440%.

b. These price increases have not been caused by cost increases.

2. A number of state agencies have entered sole source contracts for Accurint and AutoTrack because of the unique nature of the product.

c. There are no other material competitors in the market.

i. Every major law enforcement agency utilizes Accurint or AutoTrack or both.

ii. The closet competitors are very small niche players.

1. The small niche players may have one or several data elements but none provide a comprehensive collation of all of the data elements provided by Accurint or AutoTrack in a single view with the ability to further research a subject.

2. Some of what appear to be niche players are products owned by Reed Elsevier or ChoicePoint.

a. E.g., Nexis.com

3. Other small players are actually resellers.

a. E.g., IRBsearch.com is an Accurint reseller.

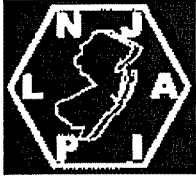
d. There are barriers to entry into the market.

i. Cost to develop product.

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ii. Intellectual know-how/property.

1. The technology behind these products is artificial intelligence based upon complex algorithms. Thus far, Mr. Asher is the only individual who has been able to develop these products.

iii. Asher non-compete..

Again, thank you for your consideration.

Cliff K. Goldsmith
NJLPIA Vice President, Executive Director

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