

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Maureen K. Ohlhausen, Acting Chairman
Terrell McSweeney

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In the Matter of)	
)	DOCKET NO. C-4645
Oregon Lithoprint, Inc.)	
a corporation.)	
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)	

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, as amended, 15 U.S.C. § 41, et seq., and by virtue of the authority vested in it by said Act, the Federal Trade Commission (“Commission”), having reason to believe that Oregon Lithoprint, Inc., has violated the provisions of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues this Complaint stating its charges as follows:

NATURE OF THE CASE

1. Oregon Lithoprint, Inc. (“OLI”) publishes a newspaper, the *News-Register*, which is distributed principally in Yamhill County, Oregon. OLI invited its closest rival in Yamhill County to divide geographic markets for printing foreclosure notices. By inviting collusion, OLI endangered competition and violated Section 5 of the FTC Act.

RESPONDENT

2. OLI is a corporation organized, existing, and doing business under and by virtue of the laws of Oregon, with its principal place of business in McMinnville, Oregon 97128.
3. OLI publishes a twice-weekly community newspaper—the *News-Register*. The publisher of the *News-Register*, as well as co-owner of OLI, is Jeb Bladine.
4. The *News-Register* has a circulation of approximately 7000 subscribers in Yamhill County, Oregon. In addition to its paid subscribers, *News-Register* is available for purchase in newsstands in Yamhill County, and it is available for viewing on its website.

JURISDICTION

5. At all times relevant herein, OLI has been, and is now, a corporation as “corporation” is defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.
6. The business practices of OLI, including the acts and practices alleged herein, are in commerce or affect commerce, as “commerce” is defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.

INVITATION TO COLLUDE

7. Oregon law requires that certain legal actions, including the impending foreclosure of real property, be announced in qualifying newspapers. Foreclosure notices provide significant income for qualifying newspapers.
8. *The Newberg Graphic* (“*The Graphic*”), a community newspaper, is the main competitor to OLI for the publication of foreclosure notices in Yamhill County. *The Graphic* is owned by Pamplin Media Group, which manages its various newspapers through its subsidiary, Oregon Publishing.
9. Clear Recon Corporation is a business that places foreclosure notices on behalf of lenders. From 2014 through 2016, Mr. Bladine sought to convince employees of Clear Recon Corporation that Clear Recon should place in the *News-Register* all foreclosure notices for properties located in zip codes where the *News-Register* has the largest circulation among qualifying newspapers.
10. On August 17, 2016, Mr. Bladine learned that Clear Recon intended to place all future foreclosure notices for Yamhill County in *The Graphic* because it charged less for its services than the *News-Register*.
11. On August 29, 2016, Mr. Bladine emailed the president of Oregon Publishing. Mr. Bladine wrote that *News-Register* was “pursuing efforts to convince Clear Recon Corp that foreclosure notices involving properties in our marketplace should be placed in the *News-Register*.”
12. In the August 29 email, Mr. Bladine further explained that “[o]ur efforts are based on the belief that Oregon’s ‘best suited’ law creates a responsibility to consider actual notice to interested parties,” and thus he has “maintained that the belief [sic] that foreclosures should be published in the newspaper predominantly circulated in the community of the property.”
13. Finally, Mr. Bladine used the August 29 email to invite Mr. Garber to divide foreclosure notice orders by geographic area:

As we continue our efforts, I would invite Pamplin Media Group to join News-Register Publishing Co. in a formal request to parties placing foreclosure notices – including private attorney firms – that the notices be placed using the “best suited” language concept as we understand the intent of that legal phrase.

14. On August 31, 2016, through counsel, Pamplin Media repudiated the invitation and stated its disagreement with Mr. Bladine’s interpretation of Oregon law related to the placement of foreclosure notices.
15. On October 25, 2016, Mr. Bladine sent another email to the president of Oregon Publishing explaining that *The Graphic* was getting a new client and thousands of dollars in new revenue because of Mr. Bladine’s efforts:

A new client, no doubt representing many thousands of dollars in future revenue, is headed to the Newberg Graphic because we are aggressively pursuing our interpretation of Oregon law – wherever the chips may fall. As we urge publication in the Graphic of related to properties in Dundee, Newberg and St. Paul, we will be equally or more aggressive in responding to situations we believe violate the intent of the law. It is probably too much to expect that others would do likewise.

16. Pamplin Media interpreted this communication as another invitation to allocate customers based on the location of the property, with the newspaper that has the greatest circulation in the zip code where the property is located receiving the foreclosure notice. On November 11, 2016, Pamplin Media explicitly rejected the second invitation.

VIOLATION CHARGED

17. As set forth in Paragraphs 9 through 17 above, OLI invited its competitor to agree to divide the market for publishing foreclosure notices by zip code in violation of Section 5 of the Federal Trade Commission Act, as amended.
18. The acts and practices of OLI, as alleged herein, constitute unfair methods of competition in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, as amended. Such acts and practices of OLI will continue or recur in the absence of appropriate relief.

WHEREFORE, THE PREMISES CONSIDERED, the Federal Trade Commission on this twenty-fourth day of April, 2018, issues its complaint against OLI.

By the Commission.

Donald S. Clark
Secretary

SEAL: