



4. The acts and practices of Respondent, including the acts and practices alleged herein, are in or affecting “commerce” as defined in Section 4 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 44.

### **III. NATURE OF THE CASE**

5. Respondent maintains a Code of Ethics applicable to the commercial activities of its members. Respondent’s members agree to abide by the Code of Ethics as a condition of membership.
6. Respondent has acted as a combination of its members, and in agreement with at least some of those members, to restrain competition by restricting through its Code of Ethics the ability of its members to compete on price, to solicit legal support professionals for employment, and to advertise. Specifically, Respondent maintains the following provisions in its Code of Ethics:
  - “It is not ethical to cut the rates you normally and customarily charge when soliciting business from a member firm’s client . . .”
  - “It is not ethical to . . . speak disparagingly of another member.”
  - “Never discuss the bad points of your competitor.”
  - “It is unethical to contact an employee of another member firm to offer him employment with your firm without first advising the member of your intent.”
7. In furtherance of the combination alleged in Paragraph 6, Respondent established a Dispute Resolution Committee to uphold and maintain industry standards and ethical business practices as set forth in Respondent’s Bylaws, Code of Ethics and Manual of Policies and Procedures. The Dispute Resolution Committee provides an avenue for resolving alleged violations of the Code of Ethics, including by encouraging Respondent’s members to resolve privately disputes arising out of the Code of Ethics, and also by establishing a mechanism by which Respondent may sanction violations of the Code of Ethics.

### **IV. VIOLATION CHARGED**

8. The purpose, effect, tendency, or capacity of the combination, agreement, acts and practices alleged in Paragraphs 6 and 7 has been and is to restrain competition unreasonably and to injure consumers by discouraging and restricting competition among legal support professionals, and by depriving consumers and others of the benefits of free and open competition among legal support professionals.
9. The combination, agreement, acts and practices alleged in Paragraphs 6 and 7 constitute unfair methods of competition in violation of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45. Such combination, agreement, acts and

practices, or the effects thereof, are continuing and will continue or recur in the absence of the relief requested herein.

**WHEREFORE, THE PREMISES CONSIDERED**, the Federal Trade Commission on this day of \_\_\_\_\_, 2013, issues its Complaint against Respondent.

By the Commission.

Donald S. Clark  
Secretary

SEAL:

ISSUED: