## UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION

**COMMISSIONERS:** 

Edith Ramirez, Chairwoman

Julie Brill

Maureen K. Ohlhausen Joshua D. Wright

In the Matter of

AUGUST 29, 2013 CIVIL INVESTIGATIVE DEMAND
ISSUED TO AEGIS MOBILE, LLC

October 24, 2013

## ORDER STAYING PETITION TO QUASH PROCEEDINGS

On September 24, 2013, Petitioner, Aegis Mobile, LLC ("Aegis") filed a petition to quash a civil investigative demand ("CID") issued by the Commission to Aegis in response to a request by the Competition Bureau Canada ("Competition Bureau") for investigative assistance. 

The CID requested materials needed by the Competition Bureau in connection with its enforcement litigation in Canada against Bell Canada, Rogers Communications Inc., Telus Corporation, and the Canadian Wireless Telecommunications Association (collectively, the "Canadian Companies"). In the Canadian proceeding, currently pending in Ontario Superior Court, the Competition Bureau alleges that the Canadian Companies engaged in the deceptive marketing of premium text messaging and digital content services. The FTC's CID in aid of the Canadian proceedings sought materials from Aegis regarding the marketing of premium text messages and rich content in Canada, as well as Aegis's work for and on behalf of the Canadian Companies.

The Commission issued the CID pursuant to its authority under Section 6(j) of the Federal Trade Commission Act ("FTC Act"), which was added to the FTC Act by the U.S. SAFE WEB Act of 2006. Specifically, the statute authorizes the Commission to assist foreign law enforcement agencies in their investigations of, or enforcement proceedings against, "possible violations of laws prohibiting fraudulent or deceptive commercial practices, or other practices substantially similar to practices prohibited by any provision of the laws administered

<sup>&</sup>lt;sup>1</sup> Pursuant to Section 2.10(5)(b) of the Commission's Rules of Practice, 16 C.F.R. § 2.10(5)(b), the timely filing of a petition to quash a CID stays the remaining period of time permitted for compliance.

<sup>&</sup>lt;sup>2</sup> Pub. L. No. 109-455, 120 Stat. 3372 (2006).

by the Commission." 15 U.S.C. § 46(j). Section 6(j) gives the Commission two routes to provide such assistance. Under Section 6(j)(2)(A), the Commission may "conduct such investigation as the Commission deems necessary to collect information and evidence pertinent to the request for assistance, using all investigative powers authorized by [the FTC Act]; . . ." 15 U.S.C. § 46(j)(2)(A). Under Section 6(j)(2)(B),the Commission may also – "when the request is from an agency acting to investigate or pursue the enforcement of civil laws" – "seek and accept appointment by a United States district court of Commission attorneys to provide assistance to foreign and international tribunals and to litigants before such tribunals on behalf of a foreign law enforcement agency pursuant to section 1782 of Title 28." 15 U.S.C. § 46(j)(2)(B).

Due to the recent interruption in U.S. government operations, considerable time has elapsed since the Commission received the request for assistance in obtaining access to materials that are highly relevant to the Competition Bureau's pending litigation in Canada. Accordingly, the Commission finds that greater expedition is warranted and, therefore, has determined to stay the instant petition to quash proceedings while it exercises its authority under Section 6(j)(2)(B) of the FTC Act, 15 U.S.C. § 46(j)(2)(B), to institute a proceeding under 28 U.S.C. § 1782. In that proceeding, the Commission will seek an appointment of Commission attorneys by the United States District Court for the District of Maryland to obtain information needed by the Competition Bureau for use in the Canadian enforcement proceedings. In staying the instant proceedings, the Commission expresses no views on the substantive issues raised by Aegis's petition to quash. Accordingly,

IT IS HEREBY ORDERED THAT consideration of the Petition of Aegis Mobile, LLC is STAYED pending the federal courts' disposition of an application by the Commission pursuant to 28 U.S.C. § 1782.

By the Commission.

Donald S. Clark

Secretary

ISSUED: October 24, 2013

<sup>&</sup>lt;sup>3</sup> Aegis's obligation to comply with the Commission's CID shall remain stayed pending disposition of the petition to quash. *See supra* note 1.