




UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Office of the
General Counsel

September 14, 2006

MEMORANDUM

TO: William E. Kovacic
Commissioner

FROM: Christian S. White 
Designated Agency Ethics Official

SUBJECT: Your Participation in Consumerinfo.com, Matter No. XO50065

This memorandum responds to your request for advice as to whether you may properly participate in the above referenced matter which involves pursuing civil contempt proceedings against Consumerinfo.com, Inc. (doing business as Experian Consumer Direct) for violations of the Stipulated Final Judgment and Order for Permanent Injunction entered in the U.S. District Court for the Central District of California.

The matter involves, *inter alia*, a requirement that Consumerinfo.com, make certain disclosures concerning the sale of its negative option credit monitoring program in television advertisements offering consumers a "free" credit report and credit score. You have sought advice because the California office of Jones Day is counsel for Consumerinfo.com. Your wife is currently a partner practicing with the Washington D.C. office of Jones Day. As of January 1, 2006, your wife converted to a non-equity status and became a fixed participation partner in the firm. As a fixed participation partner, her compensation will not be increased or affected by changes in the firm's income. Further, all benefits your wife receives from Jones Day will be the same as those earned by other similarly situated non-equity partners in the firm. Therefore, your wife does not have a financial interest in the income of the firm and, hence, you do not have such an imputed interest.¹ However, because your wife is still employed by the firm, you have a "covered relationship"² with the firm and, hence, seek advice regarding your participation. For the reasons discussed below, I am authorizing you to participate in this matter in accordance with Section 502(d) of the Standards of Conduct.

Applicable Law

¹ You would only have an imputed financial interest if the pending matter could effect Jones Day's ability or willingness to pay you wife's salary or benefits. However, this is clearly not a concern in this matter.

² Under the Standards of Conduct, an employee has a "covered relationship" with his spouse's employer. 5 C.F.R. at § 2635.502(b)(1)(iii).