

**UNITED STATES OF AMERICA  
BEFORE FEDERAL TRADE COMMISSION**

**COMMISSIONERS:**        **Deborah Platt Majoras, Chairman**  
                                  **Pamela Jones Harbour**  
                                  **Jon Leibowitz**  
                                  **William E. Kovacic**  
                                  **J. Thomas Rosch**

**In the Matter of**  
  
**VALASSIS COMMUNICATIONS, INC.,**  
                  **a corporation.**

**Docket No. C-4160**

**DECISION AND ORDER**

The Federal Trade Commission having initiated an investigation of certain acts and practices of Valassis Communications, Inc. (hereinafter referred to as “Respondent”), and Respondent having been furnished thereafter with a copy of the draft of Complaint that the Bureau of Competition proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge Respondent with violations of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45; and

Respondent, its attorneys, and counsel for the Commission having thereafter executed an Agreement Containing Consent Order (“Consent Agreement”), containing an admission by Respondent of all the jurisdictional facts set forth in the aforesaid draft of Complaint, a statement that the signing of said Consent Agreement is for settlement purposes only and does not constitute an admission by Respondent that the law has been violated as alleged in such Complaint, or that the facts as alleged in such Complaint, other than jurisdictional facts, are true, and waivers and other provisions as required by the Commission’s Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that Respondent has violated the said Act, and that a Complaint should issue stating its charges in that respect, and having accepted the executed Consent Agreement and placed such Consent Agreement on the public record for a period of thirty (30) days for the receipt and consideration of public comments, now in further conformity with the procedure described in Commission Rule 2.34, 16 C.F.R. § 2.34, the Commission hereby makes the following jurisdictional findings and issues the following Order:

1. Respondent Valassis Communications, Inc. is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 19975 Victor Parkway, Livonia, Michigan 48152.
2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the Respondent, and the proceeding is in the public interest.

## **ORDER**

### **I.**

**IT IS ORDERED** that, as used in this Decision and Order, the following definitions shall apply:

- A. “Valassis” or “Respondent” means Valassis Communications, Inc., its directors, officers, employees, agents, representatives, successors, and assigns; its subsidiaries, divisions, groups, and affiliates controlled, directly or indirectly, by Valassis Communications, Inc.; and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- B. “News America” means News America Marketing and The News Corporation Limited, their directors, officers, employees, agents, representatives, successors, and assigns; their subsidiaries, divisions, groups, and affiliates controlled, directly or indirectly, by either News America Marketing or The News Corporation Limited; and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- C. “Commission” means the Federal Trade Commission.
- D. “Competitor” means News America and any other person engaged in the business of publishing, producing, distributing, or selling FSF’s.
- E. “Consultant” means any person retained by Valassis to provide advice or assistance to Valassis relating to its pricing or marketing strategy.
- F. “Designated Employees” means each employee of Valassis with direct or supervisory responsibility for investor relations, sales, or marketing.
- G. “Federal Securities Laws” means the securities laws as that term is defined in § 3(a)(47) of the Securities Exchange Act of 1934, 15 U.S.C. § 78c(a)(47), and any regulation or order of the Securities and Exchange Commission issued under such laws.

- H. “FSI” means free-standing insert, and includes any multi-page booklet or other publication containing coupons or advertisements that is inserted into a newspaper for distribution to consumers.
- I. “Insider” means a Consultant, officer, director, employee, agent, or attorney of Valassis. *PROVIDED, HOWEVER*, that a Competitor shall not be considered to be an “Insider.”
- J. “Person” means both natural persons and artificial persons, including, but not limited to, corporations, partnerships, and unincorporated entities.

## II.

**IT IS FURTHER ORDERED** that in connection with the publication, production, distribution, offering for sale, or sale of any FSI in or affecting commerce, as “commerce” is defined by the Federal Trade Commission Act, Respondent shall cease and desist from, either directly or indirectly, or through any corporate or other device:

- A. Communicating, publicly or privately, to any Person who is not an Insider, that Respondent is ready or willing:
  - 1. to forbear from competing for any customer, contract, sale, or business opportunity, conditional upon a Competitor also forbearing from competing for any customer, contract, sale, or business opportunity; or
  - 2. to raise, fix, maintain, or stabilize prices or price levels, conditional upon a Competitor also raising, fixing, maintaining, or stabilizing prices or price levels.
- B. Entering into, participating in, implementing, continuing, or otherwise facilitating any combination, agreement, or understanding, either express or implied, with any Competitor:
  - 1. to allocate or divide markets, customers, contracts, lines of commerce, or territories; or
  - 2. to raise, fix, maintain, or stabilize prices or price levels, or to engage in any other pricing action.

*PROVIDED, HOWEVER*, that it shall not, of itself, constitute a violation of Paragraph II of this Decision and Order for Respondent: (1) to communicate to any actual or prospective FSI customer Respondent’s price for that customer and/or that Respondent is ready or willing to lower its price in response to a Competitor’s price; or (2) publicly to disclose any information

where and at such time as the public disclosure of this information by Respondent is required by the Federal Securities Laws.

### **III.**

**IT IS FURTHER ORDERED** that:

- A. Within sixty (60) days after the date this Decision and Order becomes final, Respondent shall submit to the Commission a verified written report setting forth in detail the manner and form in which that Respondent has complied and is complying with this Order.
- B. One (1) year after the date this Decision and Order becomes final, annually for the next four (4) years on the anniversary of the date this Decision and Order becomes final, and at other times as the Commission may require, Respondent shall file with the Commission a verified written report setting forth in detail the manner and form in which it has complied and is complying with this Decision and Order.

### **IV.**

**IT IS FURTHER ORDERED** that Respondent shall notify the Commission at least thirty (30) days prior to:

- A. Any proposed dissolution of Respondent,
- B. Any proposed acquisition, merger, or consolidation of Respondent, or
- C. Any other change in Respondent that may affect compliance obligations arising out of this Order, including but not limited to assignment, the creation or dissolution of subsidiaries, or any other change in Respondent.

### **V.**

**IT IS FURTHER ORDERED** that, for the purpose of determining or securing compliance with this order, upon written request, Respondent shall permit any duly authorized representative of the Commission:

- A. Access, during office hours and in the presence of counsel, to all facilities and access to inspect and copy all books, ledgers, accounts, correspondence, memoranda and other records and documents in the possession or under the control of Respondent relating to any matters contained in this Decision and Order; and
- B. Upon five (5) days' notice to Respondent and without restraint or interference from it, to interview officers, directors, or employees of Respondent.

**VI.**

**IT IS FURTHER ORDERED** that Respondent shall:

- A. Within thirty (30) days after the date on which this Decision and Order becomes final, send a copy of this Decision and Order by first class mail to each of its directors, officers, and Designated Employees.
  
- B. Mail a copy of this Decision and Order by first class mail to each person who becomes a director, officer, or Designated Employee, no later than (30) days after the commencement of such person's employment or affiliation with Respondent.
  
- C. Require each person to whom a copy of this Decision and Order is furnished pursuant to subparagraphs VI.A and VI.B of this Decision and Order to sign and submit to Respondent within thirty (30) days of the receipt thereof a statement that: (1) acknowledges receipt of the Decision and Order; (2) represents that the undersigned has read and understands the Decision and Order; and (3) acknowledges that the undersigned had been advised and understands that non-compliance with the Decision and Order may subject Valassis to penalties for violation of the Decision and Order.

**VII.**

**IT IS FURTHER ORDERED** that this Decision and Order shall terminate on April 19, 2026.

By the Commission.

Donald S. Clark  
Secretary

SEAL  
ISSUED: April 19, 2006