



U.S. DEPARTMENT OF JUSTICE
Antitrust Division

CHRISTINE A. VARNEY
Assistant Attorney General

Main Justice Building
950 Pennsylvania Avenue, N.W.
Washington, D.C. 20530-0001
(202) 514-2401 / (202) 616-2645 (Fax)
E-mail: antitrust.atr@usdoj.gov
Web site: <http://www.usdoj.gov/atr>

February 24, 2010

Charles E. Biggio, Esq.
Wilson Sonsini Goodrich & Rosati
1301 Avenue of the Americas
40th Floor
New York, NY 10019

Dear Mr. Biggio:

This letter responds to your request, made on behalf of your client, MyWire, Inc. ("MyWire"), for the issuance of a business review letter pursuant to the Department of Justice's Business Review Procedure, 28 C.F.R. § 50.6. You have requested a statement of the Antitrust Division's current enforcement intention with respect to MyWire's proposal to develop and operate an Internet media subscription news aggregation service, the Global News Service ("GNS"). For the reasons discussed below, the Division has no present intention to challenge the development or operation of GNS.

Factual Background

You have made the following representations to the Division. MyWire is a private company and is not currently owned by any content providers. MyWire syndicates Internet content on various subjects from hundreds of publishers around the world. MyWire has created proprietary Internet technology that is designed to organize and distribute free and fee-based digital content on a wide variety of topics. MyWire's technology can accommodate multiple content formats, including article, video, slide show, audio and interactive formats. It can provide content hosted on MyWire.com and on external computer platforms and sourced from various Internet providers, including newspapers, magazines, and television Internet sites. MyWire would use this technology to launch GNS.

GNS would enable consumers to browse an interconnected network of participating Internet publishers' content conveniently and efficiently. MyWire intends to develop GNS by entering into one-year bilateral non-exclusive content licensing agreements with Internet publishers. Under these agreements, GNS would provide to publishers "related-item" content blocks that the publishers would display next to their content. The blocks would contain hyperlinked abstracts of content from other participating publishers' websites. By clicking these hyperlinks, consumers would be directed to the content owner's website where they would be able to view the full content to which an abstract refers. GNS would use an algorithm incorporating various factors, including keywords, popularity and timeliness, to determine what

content is most closely related and therefore most useful to reference as a related item. GNS alone would determine how this algorithm functions, both initially and in the future.

GNS creates what MyWire calls a "traffic marketplace" for Internet publishers. Clicking on a related content block transfers the consumer to the website hosting the selected content. Internet publishers value consumer traffic; consequently, the "receiving" publisher would pay a per-click fee to the "sending" publisher. MyWire would manage and track the traffic within the GNS system and have sole discretion to set or change the per-click fee but would not receive any part of the fee. The per-click fee would be the same for all publishers.

The free content on the GNS system would be available to consumers free of charge. The fee-based content would only be available to consumers who paid a monthly GNS subscription fee. Consumers could subscribe to GNS at any participating Internet publisher's subscription page. MyWire would have sole discretion to set the GNS subscription fee. The fee would be shared among MyWire and its publishers according to a formula established and modified by MyWire in its sole discretion. Publishers could also sell fee-based content on an item-by-item basis to consumers that did not subscribe to GNS. Each publisher would set its fees for this type of access at its sole discretion and share a portion of such fees with MyWire.

In addition to aggregating related content, GNS will manage subscriptions, bill consumers, track content usage and publishers' earnings, and distribute revenue to publishers. The MyWire publisher agreements would be nonexclusive, allowing publishers to join other Internet content aggregation services, including those services that might compete directly with GNS.

Under the MyWire agreements, each publisher would have the right to refuse to display on its own websites hyperlinks to any particular content available over the GNS system, including all of the content provided by any particular publisher. Further, each publisher would have sole discretion to contribute to or exclude from the GNS system any part of its own content. Each publisher would also control what part of its own content would be available for free or for a fee.

Each participating publisher would be barred from distributing outside the GNS system for free any part of its own content that it contributed to GNS on a fee basis. There would be no restrictions, such as minimums or maximums, on what the publisher charged elsewhere, including on its own website, as long as the charge was greater than zero. This restriction aside, MyWire would not impose any kind of restriction on any price a participating publisher charged for access to the publisher's websites or access to content not accessed through the GNS system. Nor would MyWire participate in creating news content, operating participating publishers' websites, or setting any fee or rates relating solely to those websites, including advertising and subscription rates.

MyWire represents that it will institute and maintain firewalls that would prevent publishers from accessing all other publisher's competitively sensitive information through MyWire or GNS. For example, MyWire would not allow a publisher to access information regarding any GNS subscriber that enrolled through any other publisher's Internet subscription page. Nor would MyWire allow a publisher to access traffic or revenue information relating to any other publisher.

Legal Analysis

MyWire plans to enter into vertical agreements with participating Internet publishers relating to content access and distribution and the operation of and participation in GNS. MyWire does not compete with the publishers, nor are the agreements between or among competing publishers. The agreements do not restrict prices, except for one ancillary restriction necessary to offer the GNS service: each publisher would be barred from distributing outside the GNS system for free any part of its own content that it contributed to GNS on a fee basis. The agreements would not prevent Internet content aggregators that compete with GNS from recruiting publishers that participate in GNS because the MyWire agreements are non-exclusive.

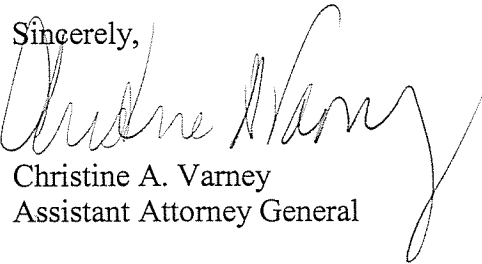
Under the proposal, prices would be set unilaterally. MyWire would have sole discretion to set GNS subscription fees charged consumers and per-click fees paid to publishers. Each publisher would set its own fees for its own content that consumers purchased on an item-by-item basis through the GNS system. Each publisher would continue to set unilaterally its fees relating to its own websites and for content not accessed through the GNS system. GNS would not affect a publisher's control of its advertising or subscription rates. Further, due to its design, the GNS system would not facilitate the exchange of competitively sensitive information among publishers.

GNS may benefit consumers and publishers. It would allow consumers to access a broad network of related content through any participating publisher's website. It would evaluate and present related content that consumers would otherwise have to search for on their own using tools that may not be as effective. It would expand the internet traffic marketplace available to publishers and may improve their ability to identify consumers for whom their content is relevant. GNS may also reduce publishers' content distribution costs by consolidating functions such as subscription management, billing, and usage tracking.

Based on your representations and the documents and information submitted in support of your request, the Department of Justice, Antitrust Division, has no present intention to challenge the development or operation of GNS. This letter expresses the Division's current enforcement intention and is predicated on the accuracy of the information and assertions that you have presented to the Division, as well as any additional qualifications set forth in this letter. In accordance with its normal practice, the Division reserves the right to bring an enforcement action in the future should GNS or any agreements or activities in which MyWire may engage prove to be anticompetitive in purpose or effect in any market.

Charles E. Biggio, Esquire
Page 4

This statement is made in accordance with the Department's Business Review Procedure, 28 C.F.R. § 50.6. Pursuant to its terms, your business review request and this letter will be made publicly available immediately, and any supporting data will be made publicly available within thirty (30) days of the date of this letter, unless you request that any part of the material be withheld in accordance with Paragraph 10(c) of the Business Review Procedure.

Sincerely,

Christine A. Varney
Assistant Attorney General