

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

COMMISSIONERS: **Lina M. Khan, Chair**
 Noah Joshua Phillips
 Rebecca Kelly Slaughter
 Christine S. Wilson
 Alvaro M. Bedoya

In the Matter of

**HomeAdvisor, Inc., a corporation,
d/b/a Angi Leads,
d/b/a HomeAdvisor Powered by Angi.**

DOCKET NO. 9407

**ORDER DIRECTING FURTHER PROCEEDINGS AND SPECIFYING FACTS
WITHOUT SUBSTANTIAL CONTROVERSY**

Pursuant to Rule 3.24(a)(5) of the Federal Trade Commission’s Rules of Practice, 16 C.F.R. § 3.24(a)(5), the Commission hereby directs further proceedings in this action and specifies the facts that appear without substantial controversy. The Initial Decision’s findings of fact may supplement and modify the facts specified, as appropriate, to reflect additional detail and the resolution of factual disputes. Accordingly,

IT IS HEREBY ORDERED THAT, due to ongoing public health concerns related to COVID-19, the evidentiary hearing in this proceeding, scheduled to commence on November 9, 2022 at 10:00 a.m., will be conducted virtually by video conference; public access to the hearing, to the extent consistent with the protection of confidential information and for monitoring purposes only, will be provided via telephone or live web streaming; and

IT IS FURTHER ORDERED THAT the following facts shall be deemed established for purposes of this proceeding:

1. Respondent HomeAdvisor, Inc., also doing business as Angi Leads and HomeAdvisor Powered by Angi, is a Delaware corporation with its principal offices or places of business in Colorado. CCSF ¶2; RCCSF ¶2; Answer ¶1.¹
2. HomeAdvisor collects information about potential customers for home services (“consumers”) in the form of “service requests” and sells that information to service providers in its network in the form of “leads.” Compl. ¶ 4; Answer ¶ 4; *see also* CCSF at 2 n.2.
3. Since at least July 2014, Respondent has sold memberships and leads to service providers throughout the United States. *See* CCSF ¶ 35; RCCSF ¶ 35; RSF ¶ 114.
4. HomeAdvisor sells leads that consist of information submitted through HomeAdvisor’s websites, over the phone to a HomeAdvisor customer representative, or from third-party affiliates. Compl. ¶¶ 10, 14, 15; Answer ¶¶ 10, 14, 15; *see also* RSF ¶ 30; CCSF ¶ 4; RCCSF ¶ 4.
5. HomeAdvisor’s website prompts consumers to enter their contact information and answer a series of questions about a project. Compl. ¶ 10; Answer ¶ 10.
6. One of the questions that a consumer typically must answer about a home project is whether its status is “Ready to Hire” or only “Planning & Budgeting.” Compl. ¶ 32; Answer ¶ 32.
7. Another question that a consumer typically must answer is how soon the consumer would like the project completed (e.g., “Timing is flexible,” “Within 1 week,” “1-2 weeks,” or “More than 2 weeks”). Compl. ¶ 32; Answer ¶ 32.
8. Yet another question asks whether the consumer is “the owner or authorized to make property changes.” Compl. ¶ 32; Answer ¶ 32.

¹ We use the following abbreviations:

Compl.	Complaint
Answer	Answer and Defenses of Respondent HomeAdvisor, Inc.
CCSF	Complaint Counsel’s Statement of Material Facts as to Which There Is No Genuine Issue for Trial
RCCSF	Respondent’s Responses to Complaint Counsel’s Statement of Purportedly Undisputed Facts (Part Two of Respondent’s Statement of Material Facts for Which There Is a Genuine Issue for Trial)
RSF	Respondent’s Counterstatement of Material Facts for Which There Is a Genuine Issue for Trial (Part One of Respondent’s Statement of Material Facts for Which There Is a Genuine Issue for Trial)
Mot.	Memorandum in Support of Complaint Counsel’s Motion for Summary Decision

9. [REDACTED]
Compl. ¶ 32; Answer ¶ 32; CCSF ¶ 7; RCCSF ¶ 7.
10. HomeAdvisor's telephone-generated leads contain the same types of information as leads from HomeAdvisor's website. Compl. ¶ 15; Answer ¶ 15.
11. Approximately [REDACTED] of the leads transmitted to service providers are sourced from affiliates. CCSF ¶ 4; RSF ¶ 150.
12. HomeAdvisor sells several types of leads, including Market Match leads, Exact Match leads, and Instant Booking leads. CCSF ¶ 10; RCCSF ¶ 10.
13. A Market Match lead is a lead that is sold to [REDACTED] service providers in HomeAdvisor's network who are profiled to perform the type of work specified in the service request in the relevant geographic area. CCSF ¶ 11; RCCSF ¶ 11.
14. For an Exact Match lead, consumers view a directory of HomeAdvisor service providers and submit a service request directly to one or more service providers of their choice. CCSF ¶ 12; RCCSF ¶ 12; *see also* Compl. ¶ 13; Answer ¶ 13.
15. For an Instant Booking lead, a consumer that visits HomeAdvisor's website makes an appointment with a specific service provider via a web-based application. Compl. ¶ 13; Answer ¶ 13; *see also* RCCSF ¶ 13.
16. As of mid- to late- 2020, approximately [REDACTED] of the leads HomeAdvisor sold to service providers were Market Match leads, [REDACTED] were Exact Match leads, and [REDACTED] were Instant Booking leads. CCSF ¶ 10; RCCSF ¶ 10.
17. Apart, possibly, from certain free leads provided to service providers, HomeAdvisor bills service providers for Market Match, Exact Match, and Instant Booking leads regardless of whether the lead converts into a job for the service provider. CCSF ¶ 14; RCCSF ¶ 14.
18. Market Match lead fees vary depending on the type and geographic location of the project. Compl. ¶ 19; Answer ¶ 19.
19. At least between July 2014 and September 2019, the average price of a lead across lead types was approximately [REDACTED]. RCCSF ¶ 16; Compl. ¶ 19; Answer ¶ 19.
20. In order to receive leads from HomeAdvisor, service providers must join HomeAdvisor's network by purchasing a membership, and they must pass a background check. CCSF ¶¶ 17-18; RCCSF ¶¶ 17-18.

21. Until on or about a date in 2020, HomeAdvisor offered a bundled package for \$347.98 that consisted of an annual membership (\$287.99) and a one-month subscription to a software called mHelpDesk, which cost \$59.99 per month. CCSF ¶ 20; RCCSF ¶ 20. The mHelpDesk software assisted with scheduling appointments and processing payments. CCSF ¶ 22; RCCSF ¶ 22.
22. Service providers also could purchase a membership without mHelpDesk. CCSF ¶ 23; RCCSF ¶¶ 20, 23.
22. After the first month, service providers who purchased the membership with mHelpDesk were billed \$59.99 monthly for mHelpDesk unless they cancelled their subscription to mHelpDesk. CCSF ¶ 21; RCCSF ¶ 21; Compl. ¶ 18, Answer ¶ 18.
23. A service provider can only join HomeAdvisor's network by speaking to a HomeAdvisor sales agent over the phone. Compl. ¶ 23; Answer ¶ 23.
24. HomeAdvisor has a credit policy, under which service providers may request credits for leads in certain situations. RSF ¶¶ 71, 72; Mot. at 28-29; *see also* CCSF ¶ 43.
25. If HomeAdvisor grants a service provider's credit request, HomeAdvisor then applies the credit against the cost of future leads. Compl. ¶ 21; Answer ¶ 21.
26. HomeAdvisor advertises its products on its websites, including homeadvisor.com and pro.homeadvisor.com, and via other media, including email marketing, direct marketing, radio spots, and social media. CCSF ¶ 24; RCCSF ¶ 24.
27. HomeAdvisor employs sales agents whose responsibilities have included conducting telephone sales outreach to service providers. CCSF ¶ 27; RCCSF ¶ 27; PX0105-0007.
28. HomeAdvisor provides its sales representatives with certain training materials [REDACTED] CCSF ¶ 30; RCCSF ¶ 30; *see also* CCSF at 24 & ¶ 102.
29. [REDACTED] CCSF 30; RCCSF 30.
30. HomeAdvisor has a quality assurance process [REDACTED] CCSF ¶ 52; RCCSF ¶ 52.

31. [REDACTED] CCSF ¶ 54; RCCSF ¶ 54.

32. [REDACTED] CCSF ¶ 55; RCCSF ¶ 55.

By the Commission.

April J. Tabor
Secretary

SEAL:
ISSUED: September 9, 2022