



Consultations to continue for proposed MLS® rule changes

For Immediate Release

HALIFAX – September 20 2006 – The real estate Boards and Associations of The Canadian Real Estate Association have voted overwhelmingly to continue discussion and research to find a national consensus on resolution of MLS® trade mark issues. A series of proposed MLS® rule changes were presented at a CREA Special Assembly in Halifax on September 20th, but the recommendations were referred to the Association Board of Directors for further study and consultation. A report to members will next be provided during the CREA Annual Meeting in March 2007.

The Canadian Real Estate Association owns the Multiple Listing Service® and MLS® trade marks in Canada. The trademarks are licensed to CREA members for use in the marketing of real property.

“The proposed amendments to the MLS® rules presented at the CREA Special Assembly in Halifax were developed to protect the trade mark, and for no other reason” said Alan Tennant, FRI, President of The Canadian Real Estate Association.

“Some reports have suggested the proposed rules would mean higher fees for consumers, or the elimination of some real estate broker business models. The MLS® Rules and the proposed amendments do not restrict or determine the fees or commissions that REALTORS® may charge. They are also flexible enough to permit a wide range of business models for real estate,” the CREA President added. “This is a trade mark issue”.

“The proposed amendments, prepared with the guidance of expert legal counsel, were recommended to CREA as the best way to protect the MLS® trade marks.”

CREA considers the MLS® and Multiple Listing Service® trade marks as highly valuable assets. Under its Rules, as the sole owner of the trade marks, CREA has the right as well as the obligation to ensure compliance with the conditions governing the use of the MLS® trade marks.

The Multiple Listing Service® has been a valuable real estate tool in Canada for more than fifty years. There have always been three “pillars” or basic requirements for a listing to qualify for inclusion on a real estate Board’s Multiple Listing Service®. It is CREA’s view that consumers and REALTORS® both benefit from these basic features of MLS®.

The three existing requirements or “pillars” for a listing to qualify for the Multiple Listing Service include some offer of compensation between REALTORS®; continuous agency relationship during the term of the MLS® listing; and accuracy of information. If a listing goes into the Multiple Listing Service®, a member REALTOR® is required to verify the accuracy of information in the listing.

Canadian consumers have also relied on the MLS® trade marks for generations as signifying highly professional and ethical real estate services. REALTORS® in Canada have spent hundreds of millions of dollars advertising their services in association with the MLS® trade marks.

“The more extensive the requirements or pillars to qualify as an MLS® listing, the better CREA would be to defend the MLS® trade marks,” Association President Alan Tennant added. “At the same time, we realize that this has to be balanced against minimizing any potential Competition Act concerns. It was the Association’s view the proposed amendments strike an appropriate balance between what we would like to see to protect the trade marks, and what could lead to Competition Act issues.”

About The Canadian Real Estate Association

The Canadian Real Estate Association (CREA) is one of Canada’s largest single-industry trade associations, representing more than 86,000 REALTORS® working through 99 real estate Boards, 10 provincial Associations and one territorial Association. Further information can be found at www.crea.ca.

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