

BANKER & TRADESMAN

THE REAL ESTATE, BANKING AND COMMERCIAL WEEKLY FOR MASSACHUSETTS

A PUBLICATION OF THE WARREN GROUP

Murdoch Talks Move Inc. Plans At Inman Conference

BY COLLEEN M. SULLIVAN
BANKER & TRADESMAN STAFF

In a wide-ranging talk Thursday morning at the Inman Connect conference in New York City, Rupert Murdoch reassured real estate agents that his acquisition of Move Inc. was intended to form a partnership with the industry, one that doesn't include challenging the existing real estate model but rather leveraging NewsCorp's other media assets to take advantage of the growth he expects in the sector.

During Murdoch's speech, which included a surprise guest appearance by his own personal real estate agent, Dolly Lenz of Dolly Lenz Real Estate, he pointed out that NewsCorp's purchase of Move last fall was the second major acquisition made by the company since its split from 20th Century Fox, and by far the larger and more important.

"We acquired Move because we believe in the American Dream, and because we believe the digital real estate market is at last poised to take off," Murdoch said, adding that he plans to make Realtor.com "the shortest distance between" American families and their piece of the American Dream.

Murdoch said his company had considered acquiring one of the two other major

portals, Zillow and Trulia, but ultimately chose Move because of the site's fresher, more accurate data, its affiliation with the National Association of Realtors and the fact that visitors to the site are generally further along in the home purchase process than visitors to the other sites, making them more attractive to advertisers. "They're not window-shoppers, they're buyers," he said.

Murdoch repeatedly referred to NewsCorp's experience in launching what is now the largest property search site in Australia, REA Group's realestate.com.au, as a model for Realtor.com. (REA Group, itself a NewsCorp subsidiary, owns a stake in Move, and Murdoch has appointed some former REA senior executive to help manage Move.) Speculation that Murdoch had planned to mold Move in REA's image had caused some worry among agents - in Australia, REA charges real estate agents both subscription fees and substantial listing fees in order to have their listings displayed on the site.

Murdoch was at pains to reassure agents on this point, however, explaining, "We understand this is a different business model in America. But we think we can live with it," saying that attracting advertising from financial services and the construction industry would be more of Realtor.com's focus. "We certainly don't want to replace agents," he said.

He did, however, suggest that full-on integration of Realtor.com with NewsCorp's other media properties, which include the Wall Street Journal and the New York Post, could provide the same boost to the portal that REA received from its partnership with his Australian media entities. REA has more than 70 percent of the real estate search market in Australia, where Realtor.com currently lags a distant third behind Zillow and Trulia.

However, Murdoch hinted that his team may intend to make a major revamp to the site before launching this push, saying that, "We've got to make a better product, absolutely. Once you have a better product, then we'll get out there and market it hard."

He also had a few knocks against Move's biggest competitor, Zillow. When moderator Brad Inman of Inman News asked if his planned changes for Realtor.com might include a name change, Murdoch said he viewed the names "Realtor" and "move" as assets, asking "What does Zillow even mean?" He also referred to the Seattle-based portal when emphasizing that Move's links to the established real estate industry were part of what made it an attractive purchase, saying, "I don't want to get into conflict with any of you. Zillow taught us that." ■

Email: csullivan@thewarrengroup.com