

# Tracking The Rare 'Quick Look' Win In FTC's Zillow-Redfin Suit

By **Mary Helen Wimberly and Sandhya Taneja** (June 24, 2026)

In early May, U.S. District Judge Anthony Trenga of the U.S. District Court for the Eastern District of Virginia made quick work of Zillow and Redfin's motion to dismiss the complaints brought against them by the Federal Trade Commission and several states, denying the motion in a four-page opinion. The case is now speeding toward an August trial date.

Below, we consider the broader implications of this case and the district court's decision.

## Case Background

In two almost identical complaints, *Federal Trade Commission v. Zillow Group Inc.* and *Virginia v. Zillow Group Inc.*, the FTC and a coalition of five states alleged that Zillow and Redfin, previously competitors in sales of advertising for multifamily rental properties, agreed not to compete for those sales. In 2025, Zillow purportedly agreed to pay Redfin \$100 million upfront plus additional ongoing payments, and in exchange, Redfin purportedly agreed to exit the market and turn over its rental advertising business to Zillow.

The enforcers alleged that the arrangement "should be presumed unlawful" under Section 1 of the Sherman Antitrust Act. In addition, the enforcers claimed, the arrangement constituted an acquisition — because "Zillow has acquired [Redfin's] assets, including Redfin's customer relationships, key employees, [and] business information," among other things — that was "presumptively unlawful" under Section 7 of the Clayton Antitrust Act. Finally, they alleged the "agreements are an unfair method of competition" under Section 5 of the Federal Trade Commission Act.

Zillow and Redfin jointly moved to dismiss the complaints, and the district court denied their motion, concluding that "the face of the Complaint" demonstrated "clearly anti-competitive conduct."

Zillow and Redfin had argued that the relevant advertising market was a two-sided platform, with advertisers on one side and renters on the other, and the enforcers' exclusive focus on harm to the advertiser side of the platform failed to plead anticompetitive harm to the platform as a whole, as required by the U.S. Supreme Court's 2018 *Ohio v. American Express Co.* decision. The district court appeared skeptical of this argument — noting the enforcers' point that *Amex* was inapplicable to their Section 1 claims because it governs only two-sided transaction platforms — but the court did not otherwise express a position on it.

The court agreed with the enforcers that the quick-look antitrust review standard applied, which rests on what the court decides "an observer with even a rudimentary understanding of economics could conclude ... have an anticompetitive effect." The court did not, however, expand on how the complaints met that requirement. Instead, the court appeared to rest on its conclusion that the defense arguments concerning "defects in the Complaint[s'] market definition and market power-related allegations" were too "fact-intensive" to resolve at the



Mary Helen Wimberly



Sandhya Taneja

dismissal stage.

The district court's scheduling order in this case provides a very short timeline to complete discovery and litigate the enforcers' motion for partial summary judgment. Trial is currently set for late August.

### **A Nonreportable and Consummated Deal, a Rare Quick-Look Win and a Chance to Define Amex's Scope**

This case demonstrates that consummated and nonreportable deals are subject to enforcer scrutiny, even when one side seeks to exit a market in which it has not been profitable. According to Zillow's May 20 answer to the FTC complaint, Redfin before the deal was "buckling under more than \$800 million in debt with no realistic path to becoming a meaningful competitor."

That argument appeared not to sway the FTC, which described Redfin as one of Zillow's key competitors. Neither defendant has invoked a failing-firm defense, and the enforcers' assertion of a Section 1 Sherman Act claim diminishes the relevance of defenses raised more traditionally against Section 7 Clayton Act claims. In addition, by invoking quick-look analysis, enforcers are potentially bypassing the more precise market definition requirements of a typical Section 7 case altogether.

The denial of dismissal represents a relatively rare — albeit early — win under quick-look analysis. It remains to be seen whether the early win will survive greater record-based scrutiny.

As Jonathan Berman observed in the *American University Business Law Review* in 2024, quick-look analysis "is frequently litigated but seldom applied," as "very few district court judgments have depended upon quick look, and perhaps most of these judgments have been reversed."<sup>[1]</sup> In April, the U.S. Court of Appeals for the Fourth Circuit rejected application of the quick look in *Robinson v. NCAA*, noting that it "should be rarely applied."

The Zillow case is therefore one to watch to see if it is the rare one resulting in judgment under quick-look analysis — and potentially the even rarer quick-look judgment to survive appeal.

The potential Amex overlay presents a possible complicating factor. Although the district court's opinion suggests the court is skeptical of Zillow and Redfin's argument that Amex applies, the issue is an open one in the case. Some courts have extended the Amex framework beyond the credit card payment system that was the subject of the Amex case, but the Fourth Circuit has not yet weighed in on the parameters of the decision. This case potentially could be a vehicle for it to do so.

### **Potential Industry Implications**

This case confirms that enforcers continue to scrutinize the housing industry, broadly speaking. It has been an enforcement target across administrations, and the second administration of President Donald Trump has reaffirmed its focus on this area. Indeed, when announcing the FTC's lawsuit against Zillow and Redfin, FTC Bureau of Competition Director Daniel Guarnera described the subject of the case as "critical for renters, property managers, and the health of the overall U.S. housing market."<sup>[2]</sup>

Even so, it remains unclear whether the enforcers can secure meaningful relief in the event they prevail. Under the parties' agreements, Redfin turned over its business — including its confidential customer information — to Zillow. Were the district court to rule in the enforcers' favor and order Zillow to divest the business to a third-party buyer, the former Redfin customers may already be under contract with Zillow.

In 2014, in *U.S. v. Bazaarvoice Inc.*, a case in the U.S. District Court for the Northern District of California where an illegal acquisition was alleged, the U.S. Department of Justice negotiated a remedy where Bazaarvoice Inc. was required to divest the assets it acquired from PowerReviews Inc.'s buyer along with other provisions to compensate for the deterioration of PowerReviews' competitive position that occurred as a result of the transaction.

The court could potentially order Zillow to allow customers to terminate their contract early, as in the DOJ's negotiated remedy with Bazaarvoice to divest PowerReviews.[3]

Nonetheless, customers could elect to remain with Zillow, in which case the remedy might do little to alter the status quo. And in the event the court directs the return of the business to Redfin, Redfin could be left with few attractive options: attempting to salvage a nonprofitable business, trying to find another buyer, potentially spinning off the business or shuttering it entirely.

---

*Mary Helen Wimberly is a partner at Axinn Veltrop & Harkrider LLP. She previously served as an associate deputy attorney general at the U.S. Department of Justice and as a trial and appellate attorney in the DOJ's Antitrust Division.*

*Sandhya Taneja is an associate at Axinn.*

*The opinions expressed are those of the author(s) and do not necessarily reflect the views of their employer, its clients, or Portfolio Media Inc., or any of its or their respective affiliates. This article is for general information purposes and is not intended to be and should not be taken as legal advice.*

[1] Jonathan Berman, *The Failure of "Quick Look" Analyses of Antitrust Claims*, 14 Am. U. Bus. L. Rev. 79 (2025), <https://digitalcommons.wcl.american.edu/aubl/vol14/iss1/3>.

[2] Press Release, Fed. Trade Comm'n, *FTC Sues Zillow and Redfin Over Illegal Agreement to Suppress Rental Advertising Competition* (Sept. 30, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/09/ftc-sues-zillow-redfin-over-illegal-agreement-suppress-rental-advertising-competition>.

[3] Press Release, U.S. Dep't of Justice, *Justice Department and Bazaarvoice Inc. Agree on Remedy to Address Bazaarvoice's Illegal Acquisition of PowerReviews* (Apr. 24, 2014), <https://www.justice.gov/archives/opa/pr/justice-department-and-bazaarvoice-inc-agree-remedy-address-bazaarvoice-s-illegal-acquisition>.