EQUIFAX INC
Form 10-K
February 26, 2009

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

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ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2008
OR

o
TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number 001-06605

EQUIFAX INC.

(Exact name of registrant as specified in its charter)

Georgia	58-0401110
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1550 Peachtree Street, N.W. Atlanta, Georgia	30309
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **404-885-8000**
Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, $1.25 par value per share	New York Stock Exchange
Common Stock Purchase Rights	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None.

Indicate by check mark if Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Exchange Act ("Act"). ý YES o NO

Indicate by check mark if Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. o YES ý NO

Indicate by check mark whether Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ý YES o NO

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ý

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

ý Large accelerated filer o Accelerated filer o Non-accelerated filer o Smaller reporting company
(Do not check if a smaller reporting company)

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Act). o YES ý NO

As of June 30, 2008, the aggregate market value of Registrant's common stock held by non-affiliates of Registrant was approximately $4,322,249,330 based on the closing sale price as reported on the New York Stock Exchange. At January 31, 2009, there were 126,478,384 shares of Registrant's common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of Registrant's definitive proxy statement for its 2009 annual meeting of shareholders are incorporated by reference in Part III of this 10-K.

FORWARD-LOOKING STATEMENTS

This report contains information that may constitute "forward-looking statements." Generally, the words "believe," "expect," "intend," "estimate," "anticipate," "project," "will" and similar expressions identify forward-looking statements, which generally are not historical in nature. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements. Management believes that these forward-looking statements are reasonable as and when made. However, forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from our Company's historical experience and our present expectations or projections. These risks and uncertainties include, but are not limited to, those described below in Item 1A. Risk Factors, and elsewhere in this report and those described from time to time in our future reports filed with the Securities and Exchange Commission, or SEC. As a result of such risks and uncertainties, we urge you not to place undue reliance on any such forward-looking statements. Forward-looking statements speak only as of the date when made. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

PART I

ITEM 1. BUSINESS

INTRODUCTION

Equifax Inc. is a leading global provider of information solutions for businesses and consumers. We have a large and diversified group of clients and customers, including financial institutions, corporations, governments and individuals. Our products and services are based on comprehensive databases of consumer and business information derived from numerous types of credit, financial, public record, demographic and marketing data. We use proprietary analytical tools to analyze this data to create customized insights, decision-making solutions and processing services for businesses. We help consumers understand, manage and protect their personal information and to make more informed financial decisions. Additionally, we are a leading provider of payroll-related and human resources business process outsourcing services in the United States of America, or U.S.

We currently operate in three global regions: North America (U.S. and Canada), Europe (the United Kingdom, or U.K., Spain and Portugal) and Latin America (Argentina, Brazil, Chile, Ecuador, El Salvador, Honduras, Peru and Uruguay). We also maintain support operations in Costa Rica and the Republic of Ireland. During 2008, we expanded into Russia by acquiring an equity interest in a consumer credit information company. Of the countries in which we operate, 73% of our revenue was generated in the U.S. during 2008.

Equifax was originally incorporated under the laws of the State of Georgia in 1913, and its predecessor company dates back to 1899. As used herein, the terms Equifax, the Company, we, our and us refer to Equifax Inc., a Georgia corporation, and its consolidated subsidiaries as a combined entity, except where it is clear that the terms mean only Equifax Inc.

AVAILABLE INFORMATION

On our Internet web site, *www.equifax.com*, we post the following filings as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC. These reports are required by the Securities Exchange Act of 1934 and include annual reports on Form 10-K; quarterly reports on Form 10-Q; current reports on Form 8-K; proxy statements on Schedule 14A; and any amendments to these reports or statements. The SEC also maintains a website, *www.sec.gov*, that contains reports, proxy and information statements regarding issuers that file electronically with the SEC. The content on any website referred to in this Form 10-K is not incorporated by reference into this Form 10-K unless expressly noted.

BUSINESS SEGMENTS

We are organized and report our business results in five operating segments, as follows:

U.S. Consumer Information Solutions (USCIS) provides consumer information solutions to businesses in the U.S. including online credit data and credit decision technology solutions (OCIS), mortgage reporting and settlement solutions, consumer credit-based marketing services (CMS) and direct marketing services (DMS) based on demographic and other consumer information.

International includes our Canada Consumer, Europe and Latin America business units. Products and services offered are similar to those available in the USCIS, North America Commercial Solutions and North America Personal Solutions operating segments but vary by geographic region.

TALX provides services enabling clients to outsource and automate the performance of certain payroll and human resources business processes, including employment and income verification, tax management and talent management services.

North America Personal Solutions provides products to consumers enabling them to monitor and protect their credit, credit score and identity information and make more informed financial decisions.

North America Commercial Solutions provides credit, financial, marketing and other information regarding businesses in the U.S. and Canada.

Our revenue base and business mix are diversified among our five segments. As depicted in the chart below regarding our business mix, our core U.S. consumer credit reporting operating segment, USCIS, represented 46% of consolidated revenue in 2008 compared to 53% in 2007. Revenue from our newest operating segment, TALX Corporation, or TALX, was included from the date of its acquisition on May 15, 2007.

PRODUCTS AND SERVICES

Our product and service offerings are highly diversified and include consumer and business credit information, information database management, marketing information, decisioning and analytical tools, and identity verification services that enable businesses to increase the speed and quality of their decision making regarding credit offers and other services, mitigate fraud, manage portfolio risk and customer relationships and develop marketing strategies. We also offer a portfolio of products marketed to individual consumers that enable them to better understand, manage and protect their financial affairs, and we provide employment and income verification and human resources business process outsourcing services.

The following chart depicts the types of products and services offered by each of the business units within our segments.

Summary of Key Products and Services by Business Unit

	USCIS						International			TALX	
	OCIS	**CMS**	**DMS**	**Mortgage Services**	**North America Personal Solutions**	**North America Commercial Solutions**	**Canada Consumer**	**Europe**	**Latin America**	**The Work Number®**	**Tax & Talent Management Services**
Online consumer credit reports	X			X	X		X	X	X		
Consumer scores and analytical services	X	X	X	X	X		X	X	X		
Enabling technology services (i.e., credit decisioning platforms)	X			X		X	X	X	X		
Consumer identity authentication	X						X	X	X		
Consumer marketing services and database management		X	X	X			X	X	X		
Business credit reports, scores and analytical services						X		X	X		
Business marketing services and database management						X		X	X		
Business demographic			X			X		X			

information					
Direct to consumer credit monitoring		X	X		
Mortgage settlement services	X				
Employment and income verification				X	
Tax management services					X
Talent management services					X

Each of our operating segments is described more fully below.

USCIS

USCIS provides consumer information solutions to businesses in the U.S. through four product lines, as follows:

Online Consumer Information Solutions (OCIS). OCIS products are derived from large databases of credit information that we maintain about individual consumers, including credit history, current credit status and consumer address information. Our customers utilize the credit report information we provide to make decisions for a wide range of credit and business purposes, such as whether, and on what terms, to approve auto loans or credit card applications, whether to allow a consumer to open a new utility or telephone account and similar business uses. We offer other analytical and predictive services based on the information in the consumer credit information databases to help further mitigate the risk of granting credit by verifying the identity of a consumer seeking credit, predicting the risk of consumer bankruptcy, or indicating the credit applicant's risk potential for account delinquency, for example. These risk management services, as well as fraud detection and prevention services, enable our customers to monitor default rates and proactively manage their existing credit card or other consumer loan accounts.

OCIS customers access products through a full range of electronic distribution mechanisms, including direct real-time access, which facilitates instant decisions, e.g., for the immediate granting of credit. We also create and host customized decisioning technology for customers to obtain custom scores and analytical results along with consumer credit information to enhance the timeliness and quality of their decision-making process. These enabling technology applications facilitate pre-approved offers of credit and automate a variety of credit decisions through our Interconnect and Decision Power online technology platforms as well as automate loan underwriting processes with our LoanCenter platform.

Mortgage Solutions. Our Mortgage Solutions products, offered in the U.S., consist of specialized credit reports that combine the reports of the three major consumer credit reporting agencies (Equifax, Experian and TransUnion) into a single credit report provided in an online format, commonly referred to as a tri-merge report. Mortgage lenders use these tri-merge reports in making their mortgage underwriting decisions. We also offer certain mortgage settlement services, such as appraisal, title and closing services, with our traditional mortgage service offerings, with certain of these services provided by third parties.

Credit Marketing Services (CMS). Our CMS products enable customers to manage their customer marketing efforts for efficiency and effectiveness; identify and acquire new customers for credit relationships; and realize additional revenue from existing customers. These products utilize information derived from the credit-based consumer data that also underlies our OCIS products, provided in a batch output formatted to meet our customers needs. Customers use this detailed information to make decisions about which consumers to target for their credit-based marketing campaigns. We also provide account review services which assist our customers in managing their customers and prescreen services that help our clients identify potential new customers.

Direct Marketing Services (DMS). Our DMS products enable customers to target specifically defined market segments and individuals based on individual consumer demographic characteristics; design more effective and economically-efficient marketing campaigns; facilitate improved direct mail response; and increase customer loyalty. We offer this information in the form of a list of consumers having specific attributes for ease of use by our customers. These lists categorize consumers based on meeting certain characteristics, interests or demographic attributes (e.g., those having recently acquired a new home). Much of the information used in these products is purchased or licensed from third parties under contracts which generally have one to three year terms. We compile the remainder of the data that we use from public record sources and information that is gathered from consumers directly through voluntary data submissions to us, an example of which is product registration cards. Since the purchased or licensed data is obtained from public sources or other lists containing data that is generally available from multiple sources, in the event that a termination of one or more of these contracts occurs, we believe we could readily acquire the data from other sources. The information in our DMS products is generally less regulated and restricted than the credit information that we maintain; see the "Information Security and Government Regulation" section below. We also offer database management services which facilitate our customers' use of demographic and credit data for marketing purposes.

International

The International operating segment includes our Canada Consumer, Europe and Latin America business units. These business units offer products that are similar to those available in the USCIS operating segment, although data sources tend to rely more heavily on government agencies than in the U.S. These products generate revenue in Argentina, Brazil, Canada, Chile, Ecuador, El Salvador, Honduras, Peru, Portugal, Spain, the U.K. and Uruguay, with support operations located in the Republic of Ireland and Costa Rica.

Canada Consumer. Similar to our OCIS, Mortgage Solutions and CMS business units, Canada Consumer offers products derived from the credit information that we maintain about individual consumers. We offer many products in Canada, including credit reporting and scoring, consumer marketing, risk management, fraud detection and modeling services, together with certain of our decisioning products that facilitate pre-approved offers of credit and automate a variety of credit decisions.

Europe. Our European operation provides information solutions, marketing and personal solutions products. Information solutions and personal solutions products are generated from credit records that we maintain and include credit reporting and scoring, risk management, fraud detection and modeling services. Both of these products are sold in the U.K. and our information solutions products are sold in Portugal and Spain. Our commercial products, such as business credit reporting and commercial risk management services, are only available in the U.K. Marketing products, which are similar to those offered in our CMS and DMS business units, are primarily available in the U.K., though we offer some products in Spain as well. We maintain support operations in the Republic of Ireland.

Latin America. Our Latin American operation provides consumer and commercial information solutions products and marketing products. We offer a full range of consumer products, generated from credit records that we maintain, including credit reporting and scoring, risk management, identity verification and fraud detection services. Our consumer products are the primary source of revenue in each of the countries in which we operate, with the exception of Brazil where we are a market leader in commercial products. We offer our commercial products, which include credit reporting, decisioning tools and risk management services, in varying degrees to the countries we serve. We also provide a variety of consumer and commercial marketing products generated from our credit information databases, including business profile analysis, business prospect lists and database management, in varying degrees to the countries we serve. The other countries in which we operate include Argentina, Chile, Ecuador, El Salvador, Honduras, Peru and Uruguay.

TALX

TALX operates in the U.S. through two business units, as follows:

The Work Number® (TWN Services). TWN Services include employment and income verification services; W-2 management services (which include initial distribution, reissue and correction of W-2 forms); paperless pay services that enable employees to electronically receive pay statement information as well as review and change direct deposit account or W-4 information; integrated electronic time capture and reporting services; paperless new-hire services to bring new workers on board using electronic forms; and I-9 management services designed to help clients electronically comply with the immigration laws that require employers to complete an I-9 form for each new hire.

TWN Services enable employers to direct third-party verifiers to our website or to a toll-free telephone number to verify the employee's employment status and income data. We also offer an offline research verification service, which expands employment verification services to locate data which is not included in our existing TWN database. In 2008, we increased our services to provide income verifications through the Internal Revenue Service, using the *IRS Direct®* product.

We rely on payroll data from over 1,900 organizations, including over half of the Fortune 500, to regularly update the TWN database. This data is updated as employers transmit data electronically directly to us each payroll period. Employers contract to provide this data to us for specified periods under the terms of contracts which range from one to five years. We use this data to provide employment and income verifications to third-party verifiers; the fees we charge for these services are generally per transaction. After the expiration of the applicable contract, absent renewal by mutual agreement of the parties, we generally do not have any further right to use the employment data we obtained pursuant to the contract. We have not experienced significant turnover in the employer contributors to the TWN database because we generally do not charge them to add their employment data to the database and the verification service we offer relieves them of the administrative burden and expense of responding to third party employment verification requests. The database contained 188.9 million employment records at December 31, 2008.

Tax and Talent Management Services. These services are aimed at reducing the cost to the human resources function of businesses by assisting with employment tax matters and planning and improving the cost-effectiveness of talent recruitment and management. We offer a broad suite of services designed to reduce the cost of unemployment claims through effective claims representation and management and efficient processing and to better manage the tax rate that employers are assessed for unemployment taxes. We also offer our customers comprehensive services designed to research the opportunity for obtaining employer-based tax credits (e.g., the federal work opportunity and welfare to work tax credits as well as employment-based state tax credits), process the necessary filings and assist the customer in obtaining the tax credit. In talent management, we also offer secure, electronic-based psychometric testing and assessments, as well as onboarding services using online forms to complete the new hire process for employees of corporate and government agencies.

North America Personal Solutions

Our Personal Solutions products give consumers information to make financial decisions and monitor and protect credit, credit score and identity information through our Credit Watch, Score Watch and ID Patrol monitoring products. Consumers can obtain a copy of credit file information about them and their credit score. We offer monitoring products for consumers who are concerned about identity theft and data breaches, including the Credit Report Control service that allows consumers subscribing to our credit monitoring products to restrict access to their credit report to mitigate unauthorized use of Equifax credit file information by third parties. Our products are available to consumers directly and through relationships with business partners who distribute our products or provide these services to their employees or customers.

North America Commercial Solutions

Our Commercial Solutions products are derived from databases of credit, financial and marketing information regarding businesses in the U.S. and Canada. The business records included in the U.S. credit database have been developed primarily as a part of the Small Business Financial Exchange, Inc., or SBFE. SBFE members, which include a number of commercial lending financial institutions, contribute their data to the member-owned SBFE database which we exclusively manage. Our contract with the SBFE to manage this database is scheduled to expire in 2012, unless renewed by mutual agreement of the parties. The information comprising the database is generally not owned by us, and the participating organizations could discontinue contributing information to the database or our management contract may not be renewed; however, we believe that such an event is unlikely because contributors to the database use the aggregated information in the database to conduct their business and we have a good working relationship with the SBFE members as one of the original founders of this database.

Other databases we have compiled include loan; credit card; public records and leasing history data; trade accounts receivable performance; and Secretary of State and SEC registration information. We also offer scoring and analytical services that provide additional information to help mitigate the credit risk assumed by our customers. We also have a marketing database which hosts approximately 44 million commercial demographic data records from around the world helping companies to identify corporate family structures for enterprise visibility of customers and suppliers.

OUR BUSINESS STRATEGY

Our strategic objective is to be the trusted provider of information solutions that empower our customers to make critical decisions with greater confidence. Data is at the core of our value proposition to our customers. Through our people and technology, we create differentiated value for our customers by focusing on unique data for credit risk evaluation and high value, information-based decisions. Our long-term corporate growth strategy is driven by the following initiatives:

> **Increase penetration of our customers' information solutions needs.** We continue to increase our share of our customers' spending on information-related services through the development and introduction of new products, pricing our services in accordance with the value they create for customers, increasing the range of current services utilized by customers, and improving the quality of sales and customer support interactions with consumers.

Deploy enabling technology systems and analytics globally. We continue to invest in new technology to enhance the cost-effectiveness, security and functionality of the services we offer and differentiate our products from those offered by our competitors. In addition to custom products for large customers, we seek to develop off-the-shelf enabling technology platforms that are more cost-effective for medium- and smaller-sized customers. We also develop predictive scores and analytics to help customers acquire and manage accounts. We develop industry scores for risk, bankruptcy and specific loan products as well as custom models.

Invest in unique data sources. We continue to invest in unique sources of credit and non-credit information to enhance the variety and quality of our services and improve our customers' confidence in data-based business decisions. Our TALX business will continue to add employee files in the TWN Services database. Areas of focus for investment in new sources of data include, among others, positive payment data, real estate data and new commercial business data.

Pursue new vertical markets and expand into emerging markets. We see numerous opportunities to expand in related or emerging markets both in the U.S. and internationally. As an example, we acquired TALX in 2007, which has employment data that expands on the types of services we can offer our customers. Internationally, we expanded into Russia in 2008. We intend to continue to add to our business growth through expansion into new developing and emerging markets such as India and China.

COMPETITION

The market for our products and services is highly competitive and is subject to constant change. Our competitors vary widely in size and the nature of the products and services they offer. Sources of competition are numerous and include the following:

Competition for our consumer information solutions and personal solutions products varies by both application and industry, but generally includes two global consumer credit reporting companies, Experian Group Limited, or Experian, and TransUnion LLC, or TransUnion, both of which offer a range of consumer credit reporting products that are similar to products we offer, as well as a large number of smaller competitors who offer competing products in specialized areas such as fraud prevention, data vendors, providers of automated data processing services, and software companies offering credit modeling rules or analytical development tools. We believe that our products offer our customers an advantage over those of our competitors because of the quality of our data files, which we believe to be superior in terms of depth and accuracy and the differentiated information solutions services and decisioning technology that provides customers greater value. Our competitive strategy is to emphasize customer solutions and quality while remaining competitive on price. Our marketing services products also compete with the foregoing companies and others who offer demographic information products, including Acxiom Corporation, Harte-Hanks, Inc. and infoUSA, Inc. We also compete with Fair Isaac Corporation with respect to our analytical tools.

Competition for our commercial solutions products primarily includes Experian and The Dun & Bradstreet Corporation and providers of these services in the international markets we serve. We believe our U.S. small business loan information from financial institutions creates a unique database and product for the small business segment of that market.

Competition for our employment and income verification services includes large employers who serve their own needs through in-house systems to manage verification as well as outsourcers who manage verification services through a call center. Competition for complementary TWN Services includes payroll processors such as Automatic Data Processing, Inc., or ADP, Paychex, Inc. and Ceridian Corporation. Competitors of our Tax Management Services include in-house management of this function primarily by large employers; ADP; and a number of smaller regional firms that offer tax management services (including Barnett Associates, Thomas & Thorngren, UC Advantage). Talent Management Services competitors include assessment service providers that offer proprietary content (Previsor, Inc., Development Dimensions International, Brainbench, Inc.), human resources consulting firms (AON Corporation, Watson Wyatt Worldwide, Inc., Right Management Consulting) and assessment or test publishers that have proprietary delivery platforms (Devine Group, Inc., Hogan Assessments Systems, Inc., SHL Group plc).

We believe that none of our competitors offers the same mix of products and services as we do. Certain competitors may have larger shares of particular geographic or product markets or operate in geographic areas where we do not currently have a presence.

We assess the principal competitive factors affecting our markets to include: product attributes such as quality, adaptability, scalability, interoperability, functionality and ease-of-use; product price; technical performance; access to unique proprietary databases; availability in application service provider, or ASP, format; quickness of response, flexibility and customer services and support; the effectiveness of sales and marketing efforts; existing market penetration; new product innovation; and our reputation as a trusted steward of information.

MARKETS AND CUSTOMERS

Our products and services serve clients across a wide range of industries, including financial services, consumer, human resources, commercial, retail, telecommunications, automotive, utilities, brokerage, healthcare and insurance industries, as well as state and federal governments. We also serve consumers directly. Our revenue stream is highly diversified with our largest customer providing less than 2% of total revenue. The following table outlines the various end-users we serve:

	Percentage of Consolidated Revenue	
	2008	**2007**
Financial	31%	32%
Mortgage	11%	12%
Consumer	10%	10%
Human Resources	9%	5%
Commercial	7%	8%
Retail	7%	7%
Telecommunications	7%	5%
Automotive	5%	7%
Other[(1)]	13%	14%
	100%	100%

(1)
Other includes revenue from government, marketing services, insurance and healthcare end-users.

We market our products and services primarily through our own direct sales organization that is organized around sales teams that focus on customer segments typically aligned by vertical markets and geography. Sales groups are based in our headquarters and in field offices located in the U.S. and in markets outside the U.S. We also market our products and services through indirect channels, including alliance partners, joint ventures and other resellers. In addition, we sell through direct mail and various websites, such as *www.equifax.com*.

Our largest geographic market segments are North America (the U.S. and Canada); Europe (the U.K., Spain and Portugal); and Latin America (Argentina, Brazil, Chile, Ecuador, El Salvador, Honduras, Peru and Uruguay). We also maintain support operations in Costa Rica and the Republic of Ireland. In 2008, we expanded into Russia by acquiring a minority equity interest in a consumer credit reporting agency.

Revenue from international customers, including end-users and resellers, amounted to 27% of our total revenue in both 2008 and 2007 and 28% of our total revenue in 2006.

TECHNOLOGY AND INTELLECTUAL PROPERTY

We generally seek protection under federal, state and foreign laws for strategic or financially important intellectual property developed in connection with our business. Certain intellectual property, where appropriate, is protected by registration under applicable trademark laws or by prosecution of patent applications. We own several patents registered in the U.S. and certain foreign countries. We also have certain registered trademarks in the U.S. and in many foreign countries. The most important of these are "Equifax," "TALX" and many variations thereof. These trademarks are used in connection with most of our product lines and services. Although these patents and trademarks are important and valuable assets in the aggregate, no single patent, group of patents or trademark, other than our Equifax trademark, is critical to the success of our business.

We license other companies to use certain data, technology and other intellectual property rights we own or control, primarily as core components of our products and services, on terms that are consistent with customary industry standards and that are designed to protect our interest in our intellectual property. An example of this type of arrangement is our contract to exclusively manage the SBFE database from 2007 until 2012.

We are licensed by others to use certain data, technology and other intellectual property rights they own or control, none of which is material to our business except for a license from Fair Isaac Corporation, relating to certain credit-scoring algorithms and the right to sell credit scores derived from them, which license has a five-year term expiring in June 2013 and provides for usage-based fees. Additionally, the licenses do not contain early termination provisions except for standard provisions providing the right to terminate in the event of breach by other party. We do not hold any franchises or concessions that are material to our business or results of operations.

INFORMATION SECURITY AND GOVERNMENT REGULATION

Safeguarding the privacy and security of consumer credit information, whether delivered online or in an offline format, is a top priority. We recognize the importance of secure online transactions and we maintain physical, administrative, and technical safeguards to protect personal and business identifiable information. We have security protocols and measures in place to protect information from unauthorized access or alteration. These measures include internal and external firewalls, physical security and technological security measures, and encryption of certain data.

Our databases are regularly updated by information provided by financial institutions, telecommunications companies, other trade credit providers, public records vendors and governments. Various laws and regulations govern the collection and use of this information. These laws and regulations impact how we are able to provide information to our customers and have significantly increased our compliance costs. We are subject to differing laws and regulations depending on where we operate.

U.S. Data and Privacy Protection

Our U.S. operations are subject to various federal and state laws and regulations governing the collection, protection and use of consumer credit and other information, and imposing sanctions for the misuse of such information or unauthorized access to data. Many of these provisions also affect our customers' use of consumer credit or other data we furnish. The information underlying our North America Commercial Services and Direct Marketing Services businesses is less regulated than the other portions of our business. A significant portion of the information maintained by our Direct Marketing Services business is voluntarily provided by individuals, thus this information is subject to fewer restrictions on use.

These laws and regulations that may be applied to portions of our business include, but are not limited to, the following:

- The Fair Credit Reporting Act, or FCRA, which governs among other things the reporting of information to credit reporting agencies that engage in the practice of assembling or evaluating certain information relating to consumers, including Equifax's credit reporting business; making prescreened offers of credit; the sharing of consumer report information among affiliated and unaffiliated third parties; access to credit scores; and requirements for data furnishers and users of consumer report information. Violation of the FCRA, or of similar state laws, can result in an award of actual damages, as well as statutory and/or punitive damages in the event of a willful violation.

- The Fair and Accurate Credit Transactions Act of 2003, or FACT Act, which amended the FCRA and requires, among other things, nationwide consumer credit reporting agencies, such as us, upon the request of a consumer, to place a fraud alert in the consumer's credit file stating that the consumer may be the victim of identity theft or other fraud, and furnish a free annual credit file disclosure to consumers through a centralized request facility we have established with the other nationwide credit reporting agencies. The FACT Act also includes current or pending rules requiring financial institutions to develop policies and procedures to identify potential identity theft, and consumer credit report notice requirements for lenders that use consumer report information in connection with risk-based credit pricing actions. Entities that furnish information to consumer reporting agencies are required to implement procedures and policies regarding the accuracy and integrity of the furnished information and regarding the correction of previously furnished information that is later determined to be inaccurate. Mortgage lenders are required to disclose credit scores to consumers. Additionally, the FACT Act prohibits a business that receives consumer information from an affiliate from using that information for marketing purposes unless the consumer is first provided a notice and an opportunity to direct the business not to use the information for such marketing purposes ("opt-out"), subject to certain exceptions.

The Financial Services Modernization Act of 1999, or Gramm-Leach-Bliley Act, or GLB, which, among other things, regulates the use of non-public personal financial information of consumers that is held by financial institutions. Equifax is subject to various GLB provisions, including rules relating to the physical, administrative and technological protection of non-public personal financial information. Breach of the GLB can result in civil and/or criminal liability and sanctions by regulatory authorities, such as fines of up to $100,000 per violation and up to five years imprisonment for individuals.

The Health Insurance Portability and Accountability Act of 1996, or HIPAA, which requires reasonable safeguards to prevent intentional or unintentional use or disclosure of protected health information.

Federal and state laws governing the use of the Internet and regulating telemarketing, including the federal Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003, or CAN-SPAM, which regulates commercial email, prohibits false or misleading header information, requires that a commercial email be identified as an advertisement, and requires that commercial emails give recipients an opt-out method.

Fannie Mae and Freddie Mac regulations applicable to our credit reporting and mortgage solutions products, the Real Estate Settlement Procedures Act and HUD's Regulation X, which requires the disclosure of certain basic information to borrowers concerning settlement costs and prohibits the charging of unearned fees and certain "kickbacks" or other fees for referrals in connection with a residential mortgage settlement service.

A number of states in the U.S. have passed versions of security breach notification and credit file freeze legislation. A file freeze enables consumers, including identity theft victims, or in certain states recipients of data breach notices or all consumers, to place and lift a freeze on access to their credit files. File freeze laws impose differing requirements on credit reporting agencies with respect to how and when to respond to such credit file freeze requests and in the fees, if any, the agencies may charge for freeze-related actions.

We continue to monitor federal and state legislative and regulatory issues involving data privacy and protection.

International Data and Privacy Protection

We are subject to data protection, privacy and consumer credit laws and regulations in the foreign countries where we do business.

In Canada, the Personal Information Protection and Electronic Documents Act (2000) applies to organizations with respect to personal information that they collect, use or disclose in the course of commercial activities. It requires compliance with the National Standard of Canada Model Code for the Protection of Personal Information, covering accountability and identifying purposes, consent, collection, use, disclosure, retention, accuracy, safeguards, individual access and compliance. The Federal Privacy Commissioner is invested with powers of investigation and intervention, and provisions of Canadian law regarding civil liability apply in the event of unlawful processing which is prejudicial to the persons concerned.

In Europe, Equifax is subject to the European Union, or EU, data protection laws, including the comprehensive EU Directive on Data Protection (1995), which imposes a number of obligations on Equifax with respect to use of personal data, and includes a prohibition on the transfer of personal information from the EU to other countries that do not provide consumers with an "adequate" level of privacy or security. The EU standard for adequacy is generally stricter and more comprehensive than that of the U.S. and most other countries. In the U.K., the Data Protection Act of 1998 regulates the manner in which we can use third-party data. In addition, regulatory limitations affect our use of the Electoral Roll, one of our key data sources in the U.K. Generally, the data underlying the products offered by our U.K. Information Services and Personal Solutions product lines, excluding our Commercial Services products, are subject to these regulations. In Spain and Portugal, the privacy laws which are subject to the EU Directive on Data Protection regulate all credit bureau and personal solutions activities. Except for negative data, the laws in Spain and Portugal generally require consumer consent for all Equifax activities.

In Latin America, consumer data protection and privacy laws and regulations exist in Argentina, Chile, Peru and Uruguay. Uruguay generally follows the EU data protection model. There are also constitutional provisions in Argentina, Brazil, Chile, Peru and certain other countries which declare the right to seek judicial protection regarding the use of personal data, and in many of those countries grant individuals the right to access and correction of information in the possession of data controllers.

TALX

The Tax Management business within our TALX segment is potentially impacted by changes in U.S. tax laws or interpretations, for example, those pertaining to work opportunity tax credits and unemployment compensation claims. A subsidiary of TALX, Talent Management, provides employee testing, assessment and talent management services to the federal government through a number of primary contracts and subcontracts with federal agencies, including the Transportation Security Administration. These contracts may be adversely affected by changes in U.S. federal government programs or contractor requirements, including the adoption of new laws or regulations.

PERSONNEL

Equifax employed approximately 6,500 employees in 15 countries as of December 31, 2008. None of our U.S. employees are subject to a collective bargaining agreement and no work stoppages have been experienced. Pursuant to local laws, our employees in Brazil, Spain and Argentina are subject to collective bargaining agreements that govern general salary and compensation matters, basic benefits and hours of work. Equifax is not a party to these agreements.

EXECUTIVE OFFICERS OF EQUIFAX

The executive officers of Equifax and their ages and titles are set forth below. Business experience for the past five years is provided in accordance with SEC rules.

Richard F. Smith (49). Mr. Smith has been Chairman and Chief Executive Officer since December 15, 2005. He was named Chairman-Elect and Chief Executive Officer effective September 19, 2005 and was elected as a Director on September 22, 2005. Prior to that, Mr. Smith served as Chief Operating Officer, GE Insurance Solutions, from 2004 to September 2005 and President and Chief Executive Officer of GE Property and Casualty Reinsurance from 2003 to 2004.

Lee Adrean (57). Mr. Adrean has been Corporate Vice President and Chief Financial Officer since October 2006. Prior to joining Equifax, he served as Executive Vice President and Chief Financial Officer of NDCHealth Corporation from 2004 to 2006. Prior thereto, he served as Executive Vice President and Chief Financial Officer of EarthLink, Inc. from 2000 until 2004.

Kent E. Mast (65). Mr. Mast has served as Chief Legal Officer since he joined Equifax in 2000. His responsibilities include legal services, global sourcing, security and compliance, government and legislative relations, corporate governance and privacy functions.

Coretha M. Rushing (52). Ms. Rushing has been Corporate Vice President and Chief Administrative Officer since 2006. Prior to joining Equifax, she served as an executive coach and HR Consultant with Atlanta-based Cameron Wesley LLC. Prior thereto, she was Senior Vice President of Human Resources at The Coca-Cola Company, where she was employed from 1996 until 2004.

Paul J. Springman (63). Mr. Springman has served as Chief Marketing Officer since February 2004. Prior thereto, he was head of the Predictive Sciences unit from August 2002 until February 2004.

Robert J. Webb (40). Mr. Webb has been Chief Information Officer since November 2004. Prior to joining Equifax, Mr. Webb was employed by General Electric Corporation from 1996 to 2004, where he held Chief Information Officer positions for GE Commercial Finance, GE Global Consumer Finance and GE Energy Services.

J. Dann Adams (51). Mr. Adams has been President, U.S. Consumer Information Solutions since 2007. Prior thereto, he served as Group Executive, North America Information Services from November 2003 until December 2006.

William W. Canfield (70). Mr. Canfield has been President, TALX since May 2007. Prior thereto, he served as Chairman, President and Chief Executive Officer of TALX Corporation since 1988.

Steven P. Ely (53). Mr. Ely has been President, North American Personal Solutions since 2007. Prior thereto, he served as Group Executive, Personal Solutions from August 2005 until December 2006 and Senior Vice President of Product Management and Marketing from February 2004 until August 2005.

Rudolfo M. Ploder (48). Mr. Ploder has been President, International since January 2007. Prior thereto, he was Group Executive, Latin America from February 2004 to January 2007.

Michael S. Shannon (53). Mr. Shannon has been President, North America Commercial Solutions, since January 2007. Prior thereto, he was Group Executive, Europe from February 2002 until December 2006.

Nuala M. King (55). Ms. King has been Senior Vice President and Controller since May 2006. Prior thereto, she was Vice President and Corporate Controller from March 2004 to April 2006. Prior to joining Equifax, Ms. King served as Corporate Controller for UPS Capital from March 2001 until March 2004.

ITEM 1A. RISK FACTORS

In addition to the other information set forth in this report, you should carefully consider the following factors, which could materially affect our business, financial condition or future results. The risks described below are not the only risks facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition or results of operations.

Declining general economic conditions and uncertainties in the global credit and equity markets may adversely affect our operating results and financial condition.

Our business is sensitive to changes in general economic conditions and particularly the level of consumer and commercial credit activity, both inside and outside the U.S. The U.S. economy has been in a recession since December 2007, according to the National Bureau of Economic Research, and it is widely believed that certain elements of the economy, such as housing, were in decline before that time. Other foreign economies in which we compete are also now demonstrating lower growth rates or recessionary declines in economic activity. Worldwide financial markets have experienced extreme disruption in recent months, including, among other things, extreme volatility in security prices, severely diminished liquidity and credit availability, credit rating downgrades, and declining valuations of investments. These factors contributed to reduced demand for our products and services in the fourth quarter of 2008.

We are unable to predict how long the economic downturn will last. However, a continuing economic downturn and financial market disruptions may continue to adversely impact our business through lower demand for consumer credit data and increases in the cancellation or deferral of new credit decision technology and marketing projects; increased pressure on the prices for our products and services; greater difficulty in collecting accounts receivable; reduced access to the credit markets to meet short-term cash needs in the U.S. and fund strategic initiatives; and greater risk of impairment to the value, and a detriment to the liquidity, of our defined benefit pension plan investment portfolio.

Our operating results and financial condition could be harmed if the markets into which we sell our products decline or do not grow as anticipated.

Any decline in our customers' markets or in general economic conditions, including declines related to the current market disruptions described above, would likely result in a reduction in demand for our products and services. In general, our customers use our credit information and related services to process applications for new credit cards, automobile loans, home mortgages, home equity loans and other consumer loans. They also use our credit information

and services to monitor existing credit relationships. Consumer demand for credit (i.e., rates of spending and levels of indebtedness) tends to grow more slowly or decline during periods of economic contraction or slow economic growth. Rising rates of interest or reduced access to credit may reduce consumer demand for mortgage loans and also impact our mortgage solutions business. Also, if our customers' markets decline, we may not be able to collect on outstanding amounts due to us. Such decline could harm our consolidated financial position, results of operations, cash flows, and stock price, and could limit our ability to sustain profitability. Also, in such an environment, pricing pressures could intensify. Since a significant portion of our operating expenses is relatively fixed in nature due to sales, research and development and other costs, if we were unable to respond quickly enough these pricing pressures could further reduce our gross margins.

We could face increased competitive pricing pressures.

In the current difficult economic environment, pricing pressures could intensify. Some of our competitors may choose to sell products competitive to ours at lower prices by accepting lower margins and profitability, or may be able to sell products competitive to ours at lower prices given proprietary ownership of data, technical superiority or economies of scale. Price reductions by our competitors could negatively impact our margins and results of operations, and could also harm our ability to obtain new customers on favorable terms. Historically, certain of our products have experienced declines in per unit pricing due to competitive factors and customer demand. If prices decline in the future at faster rates than in the past due to unforeseen changes in competition or customer demand, our business could be adversely affected. Since a significant portion of our operating expenses is relatively fixed in nature due to sales, research and development and other costs, if we were unable to respond quickly enough these pricing pressures could further reduce our gross margins.

The loss of access to credit and other data from external sources could harm our ability to provide our products and services.

We rely extensively upon data from external sources to maintain our proprietary and non-proprietary databases, including data received from customers, strategic partners and various government and public record sources. Our data sources could withdraw their data from us for a variety of reasons, including legislatively or judicially imposed restrictions on use. We also compete with several of our third-party data suppliers. If a substantial number of data sources or certain key data sources were to withdraw or be unable to provide their data, if we were to lose access to data due to government regulation, or if the collection of data becomes uneconomical, our ability to provide products and services to our clients could be materially adversely impacted, which could result in decreased revenues, net income and earnings per share.

Our markets are highly competitive and new product introductions and pricing strategies being offered by our competitors could decrease our sales and market share or require us to reduce our prices in a manner that reduces our operating margins.

We operate in a number of geographic, product and service markets that are highly competitive, as described above under "Item 1. Business Competition." Competitors may develop products and services that are superior to or that achieve greater market acceptance than our products and services. The sizes of our competitors vary across market segments, as do the resources we have allocated to the segments we target. Therefore, some of our competitors may have significantly greater financial, technical, marketing or other resources than we do in one or more of our market segments, or overall. As a result, our competitors may be in a position to respond more quickly than we can to new or emerging technologies and changes in customer requirements, or may devote greater resources than we can to the development, promotion, sale and support of products and services. Moreover, new competitors or alliances among our competitors may emerge and potentially reduce our market share, revenue or margins. For example, we currently have a business relationship with Fair Isaac Corporation to resell their credit scoring products, and TransUnion and Experian with respect to the VantageScore (SM) credit scoring product which is competitive with certain of Fair Isaac's products.

Our cost reduction and restructuring initiatives may not result in anticipated savings or more efficient operations.

Over the past several years, we have implemented, and are continuing to implement, significant cost-reduction measures. These measures have been taken in an effort to improve our profitability, or maintain profitability in the face of pressure on revenues, and realign our company to focus on strategic initiatives. We have incurred restructuring charges in connection with these cost reduction efforts. If these measures are not fully completed or are not completed in a timely fashion, we may not realize their full potential benefit. Such efforts may be disruptive to our operations. These cost reduction measures may have the effect of reducing our talent pool and available resources and, consequently, could have long-term effects on our business by decreasing or slowing improvements in our products, affecting our ability to respond to customers, limiting our ability to expand in new markets and limiting our ability to hire and retain key personnel.

Disruptions in the capital and credit markets could adversely affect our ability to access short-term and long-term capital.

The capital and credit markets have become more volatile as a result of adverse conditions that have caused the failure and near failure of a large number of large financial services companies. Our access to funds under short-term credit facilities is dependent on the ability of the participating banks to meet their funding commitments. Those banks may not be able to meet their funding commitments if they experience shortages of capital and liquidity. Longer disruptions in the capital and credit markets as a result of uncertainty, changing or increased regulation, reduced alternatives or failures of significant financial institutions could adversely affect our access to capital needed for our business. In addition, if the cost of one or more of our strategic acquisition opportunities exceeds our existing resources, or the CSC option described below is exercised, we may be required to seek additional capital.

A decline in our credit ratings could adversely impact on ability to access capital and significantly increase our cost of capital.

Our ability to obtain adequate and cost effective financing depends on our credit ratings as well as the liquidity of financial markets. A negative change in our ratings outlook or any downgrade in our current investment-grade credit ratings by our rating agencies could adversely affect our cost and/or access to sources of liquidity and capital. Additionally, such a downgrade could further limit our access to private credit markets, increase the costs of borrowing under available credit lines and adversely affect our earnings.

If interest rates increase, our net income could be negatively affected.

We maintain levels of debt that we consider prudent based on our cash flows, interest coverage ratio and percentage of debt to capital. We use debt financing to lower our cost of capital, which increases our return on shareholders' equity. This exposes us to adverse changes in interest rates. When appropriate, we use derivative financial instruments to reduce our exposure to interest rate risks. We cannot assure you, however, that our financial risk management program will be successful in reducing the risks inherent in exposures to interest rate fluctuations. Our interest expense is also affected by our credit ratings. In assessing our credit strength, credit rating agencies consider our capital structure and financial policies as well as the aggregate balance sheet and other financial information for the Company. It is our expectation that the credit rating agencies will continue using this methodology. If our credit ratings were to be downgraded as a result of changes in our capital structure, changes in the credit rating agencies' methodology in assessing our credit strength or for any other reason, our cost of borrowing could increase.

We may suffer adverse financial consequences if Computer Sciences Corporation requires us to purchase its credit reporting business at a time when the public equity or debt markets or other financing conditions are unfavorable to us.

In 1988, we entered into an agreement with Computer Sciences Corporation, or CSC, and certain of its affiliates under which CSC's credit reporting agencies utilize our computerized credit database services. Under this agreement, CSC has an option, exercisable at any time, to sell its credit reporting business to us. The option expires in August 2013. The option exercise price will be determined by an appraisal process and would be due in cash within 180 days after the exercise of the option. We estimate that if CSC were to exercise the option at December 31, 2008, the option price would have been approximately $600.0 million to $675.0 million. This estimate is based solely on our internal analysis of the value of the business, current market conditions and other factors, all of which are subject to constant change. Therefore, the actual option exercise price could be materially higher or lower than the estimated amount. If CSC were to exercise its option, we would have to obtain additional sources of funding. We believe that this funding would be available from sources such as additional bank lines of credit and the issuance of public debt and/or equity. However, the availability and terms of any such capital financing would be subject to a number of factors, including credit market conditions, the state of the equity markets, general economic conditions and our financial performance and condition. Because we do not control the timing of CSC's exercise of its option, we could be required to seek such financing and increase our debt levels at a time when market or other conditions are unfavorable.

If we are not able to achieve our overall long-term goals, the value of an investment in our Company could be negatively affected.

We have established and publicly announced certain long-term growth objectives. These objectives were based on our evaluation of our growth prospects, which are generally based on volume and sales potential of many product types, some of which are more profitable than others, and on an assessment of potential level or mix of product sales. There can be no assurance that we will achieve the required volume or revenue growth or mix of products necessary to achieve our growth objectives.

If we do not introduce successful new products and services in a timely manner, our products and services will become obsolete, and our operating results will suffer.

We generally sell our products in industries that are characterized by rapid technological changes, frequent new product and service introductions and changing industry standards. In addition, many of the markets in which we operate are seasonal and cyclical. Without the timely introduction of new products, services and enhancements, our products and services will become technologically or commercially obsolete over time, in which case our revenue and operating results would suffer. The success of our new products and services will depend on several factors, including our ability to properly identify customer needs; innovate and develop new technologies, services and applications; successfully commercialize new technologies in a timely manner; produce and deliver our products in sufficient volumes on time; differentiate our offerings from our competitors' offerings; price our products competitively; anticipate our competitors' development of new products, services or technological innovations; and control product quality in our product development process.

Dependence on outsourcing certain portions of our supply and distribution chain may adversely affect our ability to bring products to market and damage our reputation. Dependence on outsourced information technology and other administrative functions may impair our ability to operate effectively.

As part of our efforts to streamline operations and to cut costs, we have been outsourcing aspects of our application development, information technology, operational support and administrative functions and will continue to evaluate additional outsourcing. Although we have implemented service level agreements and have established monitoring controls, if our outsourcing vendors fail to perform their obligations in a timely manner or at satisfactory quality levels, our ability to bring products to market, our ability to support our customers, and our reputation could suffer. Any failure to perform on the part of these third party providers could impair our ability to operate effectively and could result in lower future revenue, unexecuted efficiencies and impact our results of operations and our stock price.

Much of our outsourcing takes place in developing countries and, as a result, may be subject to geopolitical uncertainty.

Failure to adjust our business due to changing market conditions or failure to estimate our customers' demand could adversely affect our income.

Our income could be harmed if we are unable to adjust our business to market fluctuations, including those caused by the seasonal or cyclical nature of the markets in which we operate. The sale of our products and services are dependent, to a large degree, on customers whose industries are subject to seasonal or cyclical trends in the demand for their products. For example, consumer demand for credit is particularly volatile, making demand difficult to anticipate.

Poor investment performance of pension plan holdings and other factors impacting pension plan costs could unfavorably impact our results of operations and liquidity.

Our costs of providing for non-contributory defined benefit pension plans are dependent on a number of factors, such as the rates of return on plan assets, discount rates, the level of interest rates used to measure the required minimum funding levels of the plan, future government regulation and our required or voluntary contributions made to the plans. A significant decline in the value of investments that fund our pension plans, if not offset or mitigated by a decline in our liabilities, may significantly differ from or alter the values and actuarial assumptions used to calculate our future pension expense. A decline in the value of these investments could increase the expense of our pension plans, and we could be required to fund our plans with significant amounts of cash. Such cash funding obligations could have a material impact on our liquidity by reducing cash flows and could negatively affect results of operations.

If we are unable to expand our operations in developing and emerging markets, our growth rate could be negatively affected.

Our success depends in part on our ability to grow our business in developing and emerging markets, which in turn depends on economic and political conditions in those markets and on our ability to acquire or form strategic business alliances and joint ventures and to make necessary investments in facilities, training, marketing and technology. Moreover, the products and services we offer in developing and emerging markets must match our customers' demand for those products. Due to product price, limited purchasing power and differences in the development of consumer credit markets, there can be no assurance that our products will be accepted in any particular developing or emerging market.

Economic, political and other risks associated with international sales and operations could adversely affect our results of operations.

Because we sell our products and services worldwide, our business is subject to risks associated with doing business internationally. We anticipate that revenue from international operations will continue to represent a significant portion of our total revenue. In addition, many of our employees, suppliers, job functions and facilities are increasingly located outside the U.S. Accordingly, our future results could be harmed by a variety of factors, including changes in a specific country's or region's political, economic or other conditions; trade protection measures; data privacy and consumer protection regulations; negative consequences from changes in tax laws; difficulty in staffing and managing widespread operations; differing labor regulations; differing protection of intellectual property; unexpected changes in regulatory requirements; and geopolitical turmoil, including terrorism and war.

Fluctuations in foreign currency exchange could affect our financial results.

We earn revenues, pay expenses, own assets and incur liabilities in countries using currencies other than the U.S. dollar, including among others the British pound, the Euro, the Canadian dollar and the Brazilian real. In 2008, we derived approximately 27 percent of our net operating revenue from operations outside of the U.S. Because our consolidated financial statements are presented in U.S. dollars, we must translate revenues, income and expenses, as well as assets and liabilities, into U.S. dollars at exchange rates in effect during or at the end of each reporting period. Therefore, increases or decreases in the value of the U.S. dollar against other major currencies will affect our net operating revenues, operating income and the value of balance sheet items denominated in foreign currencies. Because of the geographic diversity of our operations, weaknesses in some currencies might be offset by strengths in others over time. We may, but generally do not, use derivative financial instruments to reduce our net exposure to currency exchange rate fluctuations. However, we cannot assure you that fluctuations in foreign currency exchange rates, particularly the strengthening of the U.S. dollar against major currencies, would not materially affect our consolidated financial results.

The impact of consolidation in the financial services, mortgage, retail, telecommunications and other markets is difficult to predict and may harm our business.

The financial services, mortgage, retail and telecommunications industries are intensely competitive and have been subject to increasing consolidation. Consolidation in these and other industries which has occurred in the U.S. and certain foreign markets in 2008 and which may continue to occur in 2009 and beyond could result in lower average prices for the larger combined entities, lower combined purchases of our services than were purchased cumulatively by separate entities prior to consolidation, or existing competitors increasing their market share in newly consolidated entities, which could have a material adverse effect on our business, financial condition and results of operations if we are not retained or chosen as a service provider. We may not be able to compete successfully in an increasingly consolidated industry and cannot predict with certainty how industry consolidation will affect our competitors or us.

Our acquisitions, strategic alliances, joint ventures and divestitures may result in financial outcomes that are different than expected.

In the normal course of business, we frequently engage in discussions with third parties relating to possible acquisitions, strategic alliances, joint ventures and divestitures, and generally expect to complete several transactions per year that we believe are aligned with our strategic focus. We cannot provide assurances that we will be able to find appropriate candidates for acquisitions, reach agreement to acquire them, have the cash or other resources necessary to acquire them, or obtain requisite shareholder or regulatory approvals needed to close strategic acquisitions. The impact of future acquisitions on our business, operating results and financial condition are not known at this time. In the case of businesses we may acquire in the future, we may have difficulty assimilating these businesses and their products, services, technologies, and personnel into our operations. These difficulties could disrupt our ongoing business, distract our management and workforce, increase our expenses and materially adversely affect our operating results and financial condition. Also, we may not be able to retain key management and other critical employees after an acquisition. We may also acquire unanticipated liabilities. In addition to these risks, we may not realize all of the anticipated benefits of these acquisitions.

Our customers and we are subject to various governmental regulations, compliance with which may cause us to incur significant expenses, and if we fail to maintain satisfactory compliance with certain regulations, we could be subject to civil or criminal penalties.

Our businesses are subject to various significant international, federal, state and local regulations, including but not limited to privacy and consumer data protection, health and safety, tax, labor and environmental regulations. These regulations are complex, change frequently and have tended to become more stringent over time. We may be required to incur significant expenses to comply with these regulations or to remedy violations of these regulations. Any failure by us to comply with applicable government regulations could also result in cessation of our operations or portions of our operations or impositions of fines and restrictions on our ability to carry on or expand our operations. In addition, because many of our products are regulated or sold into regulated industries, we must comply with additional regulations in marketing our products.

We also have agreements relating to the sale of our products to government entities, including through the Performance Assessment Network subsidiary of our TALX business and, as a result, we are subject to various statutes and regulations that apply to companies doing business with the government. The laws governing government contracts differ from the laws governing private contracts. For example, many government contracts contain pricing terms and conditions that are not applicable to private contracts. We are also subject to investigation for compliance with the regulations governing government contracts. A failure to comply with these regulations might result in suspension of these contracts, or administrative penalties.

Third parties may claim that we are infringing their intellectual property and we could suffer significant litigation or licensing expenses or be prevented from selling products or services.

From time to time, third parties may claim that one or more of our products or services infringe their intellectual property rights. We analyze and take action in response to such claims on a case by case basis. Any dispute or litigation regarding patents or other intellectual property could be costly and time-consuming due to the complexity of our technology and the uncertainty of intellectual property litigation and could divert our management and key personnel from our business operations. A claim of intellectual property infringement could force us to enter into a costly or restrictive license agreement, which might not be available under acceptable terms or at all, or could subject us to significant damages or to an injunction against development and sale of certain of our products or services. Our intellectual property portfolio may not be useful in asserting a counterclaim, or negotiating a license, in response to a claim of intellectual property infringement. In certain of our businesses we rely on third party intellectual property licenses and we cannot ensure that these licenses will be available to us in the future on favorable terms or at all.

Third parties may infringe our intellectual property and we may suffer competitive injury or expend significant resources enforcing our rights.

Our success increasingly depends on our proprietary technology. We rely on various intellectual property rights, including patents, copyrights, database rights, trademarks and trade secrets, as well as confidentiality provisions and licensing arrangements, to establish our proprietary rights. The extent to which such rights can be protected varies in different jurisdictions. If we do not enforce our intellectual property rights successfully our competitive position may suffer which could harm our operating results. Our pending patent applications, and our pending copyright and trademark registration applications, may not be allowed or competitors may challenge the validity or scope of our patents, copyrights or trademarks. In addition, our patents, copyrights, trademarks and other intellectual property rights may not provide us a significant competitive advantage.

We may need to spend significant resources monitoring our intellectual property rights and we may or may not be able to detect infringement by third parties. Our competitive position may be harmed if we cannot detect infringement and enforce our intellectual property rights quickly or at all. In some circumstances, enforcement may not be available to us because an infringer has a dominant intellectual property position or for other business reasons. In addition, competitors might avoid infringement by designing around our intellectual property rights or by developing non-infringing competing technologies. Intellectual property rights and our ability to enforce them may be unavailable or limited in some countries which could make it easier for competitors to capture market share and could result in lost revenue.

If we experience system failures, the delivery of our products and services to our customers could be delayed or interrupted, which could harm our business and reputation and result in the loss of customers.

Our ability to provide reliable service largely depends on the efficient and uninterrupted operation of our computer network systems and data centers. Some of these systems have been outsourced to third-party providers. Any significant interruptions could severely harm our business and reputation and result in a loss of customers and large expenses to repair or replace the facility. Our systems and operations could be exposed to damage or interruption from power disruption, fire, flood, telecommunications failure, unauthorized entry and computer viruses, terrorism or other natural or man-made disasters. The steps we have taken and are taking to prevent a system failure, including backup disaster recovery systems, may not be effective. Our property and business interruption insurance may not be adequate to compensate us for all losses or failures that may occur. Also, our third party insurance coverage will vary from time to time in both type and amount depending on availability, cost and our decisions with respect to risk retention.

Changes in the legislative, regulatory and judicial environment in the countries in which we operate may adversely affect our ability to collect, manage, aggregate and use data and could increase our costs or reduce our net operating revenues.

Our business is subject to various laws and regulations in the countries throughout the world in which we do business, including laws and regulations relating to competition, data privacy, consumer protection, and employment and labor practices. Changes in applicable laws or regulations or evolving interpretations thereof could, in certain circumstances, result in increased compliance costs or capital expenditures, which could affect our profitability, or impede the production or distribution of our products, which could affect our net operating revenues.

In particular, the credit reporting, direct marketing and employment verification industries are subject to substantial government regulation relating to individual privacy and the collection, distribution and use of information about individuals. The information and personal data we collect is subject to a variety of government regulations, including, but not limited to, those described above under "Item 1. Business Information Security and Government Regulation." In addition, public interest in individual privacy rights and the collection, protection, distribution and use of information about individuals may result in the adoption of new federal, state, local and foreign laws and regulations that could include increased compliance requirements and restrictions on the purchase, sale, maintenance, handling and sharing of information about consumers for commercial purposes. This could have a negative impact on our ability to collect such information provided by consumers voluntarily. Future laws and regulations with respect to the collection, management and use of data about individuals, and adverse publicity, judicial interpretations or potential litigation concerning the commercial use of such information may result in substantial regulatory compliance costs, litigation expense or a loss of revenue.

If we are unable to protect our information systems against data corruption, cyber-based attacks or network security breaches, our operations could be disrupted.

We are highly dependent on information technology networks and systems, including the Internet, to process, transmit and store electronic information. In particular, we depend on our information technology infrastructure for business-to-business and business-to-consumer electronic commerce. Security breaches of this infrastructure can create system disruptions, shutdowns or unauthorized disclosure of confidential information. If we are unable to prevent such breaches, our operations could be disrupted, or we may suffer financial damage or loss because of lost or misappropriated information.

Many of our products are accessed through the Internet, including our consumer and commercial information services that are delivered via ePORT, our Internet delivery channel, and our Personal Solutions services accessible through the www.equifax.com website. Security breaches in connection with the delivery of our products and services via ePORT, our Personal Solutions website, or well-publicized security breaches not involving the Internet that may affect us or our industry, such as database intrusion, could be detrimental to our reputation, business, operating results and financial condition. We cannot be certain that advances in criminal capabilities, new discoveries in the field of cryptography or other developments will not compromise or breach the technology protecting the networks that access our products, consumer services and proprietary database information.

Our business will suffer if we are not able to retain and hire key personnel.

Our future success depends partly on the continued service of our key development, sales, marketing, executive and administrative personnel. If we fail to retain and hire a sufficient number of these personnel, we will not be able to maintain or expand our business. We believe our pay levels are competitive within the regions that we operate. However, there is also intense competition for certain highly technical specialties in geographic areas where we continue to recruit, and it may become more difficult to retain our key employees.

We may be required to recognize additional impairment charges.

We assess our goodwill, trademarks and other intangible assets and our long-lived assets as and when required by generally accepted accounting principles in the U.S. to determine whether they are impaired. Unexpected declines in our operating results and structural changes in our principal markets may also result in impairment charges. Additional impairment charges would reduce our reported earnings for the periods in which they are recorded.

Changes in accounting standards and taxation requirements could affect our financial results.

New accounting standards or pronouncements that may become applicable to our Company from time to time, or changes in the interpretation of existing standards and pronouncements, could have a significant effect on our reported results for the affected periods. We are also subject to income tax in the numerous jurisdictions in which we generate net operating revenues. Increases in income tax rates could reduce our after-tax income from affected jurisdictions, while increases in indirect taxes could affect our products' affordability and therefore reduce demand for our products.

Litigation or legal proceedings could expose us to significant liabilities and damage our reputation.

We are party to various litigation claims and legal proceedings. We evaluate these litigation claims and legal proceedings to assess the likelihood of unfavorable outcomes and to estimate, if possible, the amount of potential losses. Based on these assessments and estimates, we establish reserves and/or disclose the relevant litigation claims or legal proceedings, as appropriate. These assessments and estimates are based on the information available to management at the time and involve a significant amount of management judgment. We caution you that actual outcomes or losses may differ materially from those envisioned by our current assessments and estimates. In addition, we have business operations in emerging or developing markets with high-risk legal compliance environments. Our policies and procedures require strict compliance by our employees and agents with all U.S. and local laws and regulations applicable to our business operations, including those prohibiting improper payments to government officials. Nonetheless, we cannot assure you that our policies, procedures and related training programs will always ensure full compliance by our employees and agents with all applicable legal requirements. Improper conduct by our employees or agents could damage our reputation in the U.S. and internationally or lead to litigation or legal proceedings that could result in civil or criminal penalties, including substantial monetary fines, as well as disgorgement of profits.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 2. PROPERTIES

Our executive offices are located at 1550 Peachtree Street, N.W., Atlanta, Georgia, in a leased facility. Our other properties are geographically distributed to meet sales and operating requirements worldwide. We consider these properties to be both suitable and adequate to meet our current operating requirements, and most of the space is being utilized. We ordinarily lease office space for conducting our business and are obligated under approximately 100 leases and other rental arrangements for our headquarters and field locations. We owned four office buildings at December 31, 2008, including two buildings which house our Atlanta, Georgia data center, as well as buildings utilized by our Latin America operations located in Sao Paulo, Brazil and Santiago, Chile. We also own 23.5 acres adjacent to the Atlanta, Georgia data center.

For additional information regarding our obligations under leases, see Note 5 of the Notes to Consolidated Financial Statements in this Form 10-K. We believe that suitable additional space will be available to accommodate our future needs.

ITEM 3. LEGAL PROCEEDINGS

Equifax, certain of its subsidiaries, and other persons have been named as parties in various legal actions and administrative proceedings arising in connection with the operation of Equifax's businesses. In most cases, plaintiffs seek unspecified damages and other relief. These actions include the following:

California Bankruptcy Litigation. As previously reported, in a series of actions filed in the U.S. District Court for the Central District of California between October 14, 2005 and November 2, 2005 which have now been consolidated, captioned *Terri N. White, et al. v. Equifax Information Services LLC, Jose Hernandez v. Equifax Information Services LLC, Kathryn L. Pike v. Equifax Information Services LLC,* and *Jose L. Acosta, Jr., et al. v. Trans Union LLC, et al.,* plaintiffs asserted that Equifax violated federal and state law (the FCRA, the California Credit

Reporting Act and the California Unfair Competition Law) by failing to follow reasonable procedures to determine whether credit accounts are discharged in bankruptcy, including the method for updating the status of an account following a bankruptcy discharge. Plaintiffs seek unspecified damages and injunctive relief. On August 20, 2008, the District Court approved a Settlement Agreement and Release providing for certain changes in the procedures used by defendants to record discharges in bankruptcy on consumer credit files. That settlement resolved claims for injunctive relief, but not plaintiffs' claims for damages. Defendants have reached a tentative compromise of plaintiffs' damage claims against them, subject to negotiation of a definitive agreement. If the parties file such agreement by April 24, 2009, the District Court will hold a hearing on preliminary approval of the settlement on May 1, 2009.

Harris Litigation. In an action filed June 15, 2006 in the U.S. District Court for the District of South Carolina, captioned *William A. Harris, Sr., et al. v. Equifax Information Services LLC, et al.*, plaintiffs asserted that Equifax, Experian and TransUnion violated the Fair Credit Reporting Act by reporting tradeline information from Capital One that did not contain credit limit information. On May 30, 2008, the District Court denied plaintiffs' motion for certification of a nationwide class action, but certified a class consisting of certain consumers residing in five southeastern states. On September 3, 2008, the District Court denied defendants' petition for permission to appeal the class certification. The regional class seeks nominal and statutory damages and attorneys' fees. Discovery is ongoing, and trial is scheduled currently for July 2009.

Gillespie Litigation. In an action filed January 10, 2005 in the U.S. District Court for the Northern District of Illinois, captioned *Heather Gillespie, et al. v. Equifax Information Services LLC,* plaintiffs asserted on behalf of themselves and all similarly situated individuals that Equifax violated the Fair Credit Reporting Act by failing to clearly and accurately disclose the date of first delinquency in consumer credit file disclosures. On March 9, 2006, the District Court granted Equifax's motion for summary judgment on all claims, and denied plaintiffs' motion for class certification as moot. Plaintiffs filed a notice of appeal to the U.S. Court of Appeals for the Seventh Circuit, which in May 2007, reversed the grant of summary judgment in favor of Equifax and remanded the case to the District Court for further proceedings. On October 15, 2008, the District Court granted plaintiffs' motion for certification of a class action consisting of certain consumers who resided in New Jersey or North Carolina during the class period. On December 1, 2008, the District Court denied Equifax's motion to file an immediate appeal of the District Court's denial of Equifax's motion for summary judgment and review of the class action order. The class seeks statutory and punitive damages and attorneys' fees. Discovery is ongoing.

Other. Equifax has been named as a defendant in various other legal actions, including administrative claims, class actions and other litigation arising in connection with our business. Some of the legal actions include claims for substantial compensatory or punitive damages or claims for indeterminate amounts of damages. We believe we have strong defenses to, and where appropriate, will vigorously contest, many of these matters. Given the number of these matters, some are likely to result in adverse judgments, penalties, injunctions, fines or other relief. However, we do not believe that these litigation matters will be individually material to our financial condition or results of operations. We may explore potential settlements before a case is taken through trial because of the uncertainty and risks inherent in the litigation process.

For information regarding contingent tax claims raised by the Canada Revenue Agency, and our accounting for legal contingencies, see Note 5 of the Notes to Consolidated Financial Statements in this Form 10-K.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to a vote of our security holders during the fourth quarter of 2008.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Equifax's common stock is traded on the New York Stock Exchange under the symbol "EFX". As of January 31, 2009, Equifax had approximately 6,468 holders of record; however, Equifax believes the number of beneficial owners of common stock exceeds this number.

The table below sets forth the high and low sales prices per share of Equifax common stock, as reported on the New York Stock Exchange, for each quarter in the last two fiscal years and dividends declared per share:

(In dollars)	High Sales Price	Low Sales Price	Dividends[1]
2008			
First Quarter	**$ 37.28**	**$ 31.49**	**$ 0.04**
Second Quarter	**$ 39.95**	**$ 33.43**	**$ 0.04**
Third Quarter	**$ 37.29**	**$ 32.43**	**$ 0.04**
Fourth Quarter	**$ 34.20**	**$ 19.38**	**$ 0.04**
2007			
First Quarter	$ 42.00	$ 35.91	$ 0.04
Second Quarter	$ 44.88	$ 36.50	$ 0.04
Third Quarter	$ 46.30	$ 35.93	$ 0.04
Fourth Quarter	$ 40.21	$ 35.22	$ 0.04

(1)

Equifax's Senior Credit Facility restricts our ability to pay cash dividends on our capital stock or repurchase capital stock if a default exists or would result according to the terms of the credit agreement.

The table below contains information with respect to purchases made by or on behalf of Equifax of its common stock during the fourth quarter ended December 31, 2008:

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased[1]	Average Price Paid Per Share[2]	Total Number of Shares Purchased as Part of Publicly-Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs[3]
September 30, 2008				$ 170,007,030
October 1 October 31, 2008	500,000	$ 23.54	500,000	$ 158,234,930
November 1 November 30, 2008		$		$ 158,234,930
December 1 December 31, 2008	43,912	$		$ 158,234,930
Total	543,912	$ 23.54	500,000	$ 158,234,930

(1)

The total number of shares purchased includes: (a) shares purchased pursuant to our publicly-announced share repurchase program, or Program; and (b) shares surrendered, or deemed surrendered, in satisfaction of the exercise price and/or to satisfy tax withholding obligations in connection with the exercise of employee stock options and vesting of restricted stock, totaling no shares for the months of October and November 2008 and 43,912 shares for the month of December 2008.

(2)

Average price paid per share for shares purchased as part of our publicly-announced plan (includes brokerage commissions).

(3)

At December 31, 2008, the amount authorized for future share repurchases under the Program was $158.2 million.

ITEM 6. SELECTED FINANCIAL DATA

The table below summarizes our selected historical financial information for each of the last five years. The summary of operations data for the years ended December 31, 2008, 2007 and 2006, and the balance sheet data as of December 31, 2008 and 2007, has been derived from our audited Consolidated Financial Statements included in this Form 10-K. The summary of operations data for the years ended December 31, 2005 and 2004, and the balance sheet data as of December 31, 2006, 2005 and 2004, has been derived from our audited Consolidated Financial Statements not included in this report. The historical selected financial information may not be indicative of our future performance and should be read in conjunction with the information contained in Management's Discussion and Analysis of Financial Condition and Results of Operations, and the Consolidated Financial Statements and the accompanying Notes to the Consolidated Financial Statements in this Form 10-K.

	Twelve Months Ended December 31,				
(In millions, except per share data)	**2008[(1)(2)]**	**2007[(3)]**	**2006[(2)(5)]**	**2005**	**2004**
Summary of Operations:					
Operating revenue	**$ 1,935.7**	$ 1,843.0	$ 1,546.3	$ 1,443.4	$ 1,272.8
Operating expenses	**$ 1,458.5**	$ 1,356.8	$ 1,110.2	$ 1,021.4	$ 897.0
Operating income	**$ 477.2**	$ 486.2	$ 436.1	$ 422.0	$ 375.8
Income from continuing operations	**$ 272.8**	$ 272.7	$ 274.5	$ 246.5	$ 237.3
Dividends paid	**$ 20.5**	$ 20.7	$ 20.3	$ 20.2	$ 15.0
Per common share (diluted):					
Income from continuing operations per share	**$ 2.09**	$ 2.02	$ 2.12	$ 1.86	$ 1.78
Cash dividends declared per share	**$ 0.16**	$ 0.16	$ 0.16	$ 0.15	$ 0.11
Weighted-average common shares oustanding (diluted)[(3)]	**130.4**	135.1	129.4	132.2	133.5

	As of December 31,				
(In millions)	**2008**	**2007[(3)(4)]**	**2006**	**2005**	**2004**
Balance Sheet Data:					
Total assets	**$ 3,260.3**	$ 3,523.9	$ 1,790.6	$ 1,831.5	$ 1,557.2
Short-term debt and current maturities	**$ 31.9**	$ 222.1	$ 330.0	$ 92.3	$ 255.7
Long-term debt, net of current portion	**$ 1,187.4**	$ 1,165.2	$ 173.9	$ 463.8	$ 398.5
Total debt, net	**$ 1,219.3**	$ 1,387.3	$ 503.9	$ 556.1	$ 654.2
Shareholders' equity	**$ 1,312.4**	$ 1,399.2	$ 838.1	$ 820.3	$ 523.6

(1)

During 2008, we recorded restructuring and asset write-down charges of $16.8 million ($10.5 million, net of tax) related to business realignment. For additional information about these charges, see Note 10 of the Notes to the Consolidated Financial Statements in this Form 10-K.

(2)

In 2008 and 2006, we recorded income tax benefits of $14.6 million and $9.5 million, respectively, related to uncertain tax positions for which the statute of limitations expired. For additional information about these benefits, see Note 6 of the Notes to the Consolidated Financial Statements in this Form 10-K.

(3)

On May 15, 2007, we acquired all the outstanding shares of TALX. Under the terms of the transaction, we issued 20.6 million shares of Equifax common stock and 1.9 million fully-vested options to purchase Equifax *common stock, and paid approximately $288.1 million in cash, net of cash acquired. We also assumed TALX's outstanding debt, which had a fair value totaling $177.6 million at May 15, 2007. The results of TALX's operations are included in our Consolidated Financial Statements beginning on the date of acquisition. For additional information about the TALX acquisition, see Note 2 of the Notes to Consolidated Financial Statements in this Form 10-K.*

(4)

In 2007, total debt increased as a result of our issuance of $550.0 million of ten- and thirty-year fixed rate senior notes during the second quarter, our assumption of $75.0 million in senior guaranteed notes of TALX due 2012, and the commencement of a commercial paper program for general corporate purposes.

(5)

On January 1, 2006, we adopted Statement of Financial Accounting Standards No. 123R, "Share-Based Payment", or SFAS 123R, which resulted in additional stock-based compensation expense during 2008, 2007 and 2006 when compared to 2005 and 2004. For additional information about our stock-based compensation, see Note 7 of the Notes to Consolidated Financial Statements in this Form 10-K.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

As used herein, the terms Equifax, the Company, we, our and us refer to Equifax Inc., a Georgia corporation, and its consolidated subsidiaries as a combined entity, except where it is clear that the terms mean only Equifax Inc.

All references to earnings per share data in Management's Discussion and Analysis, or MD&A, are to diluted earnings per share, or EPS, unless otherwise noted. Diluted EPS is calculated to reflect the potential dilution that would occur if stock options or other contracts to issue common stock were exercised and resulted in additional common shares outstanding.

BUSINESS OVERVIEW

We are a leading global provider of information solutions, employment and income verification and human resources business process outsourcing services. We leverage some of the largest sources of consumer and commercial data, along with advanced analytics and proprietary technology, to create customized insights which enable our business customers to grow faster, more efficiently, more profitably and to inform and empower consumers.

Businesses rely on us for consumer and business credit intelligence, credit portfolio management, fraud detection, decisioning technology, marketing tools, and human resources and payroll services. We also offer a portfolio of products that enable individual consumers to manage their financial affairs and protect their identity. Our revenue stream is diversified among individual consumers and among businesses across a wide range of industries and international geographies.

Segment and Geographic Information

Segments. The U.S. Consumer Information Solutions, or USCIS, segment, the largest of our five segments, consists of four product and service lines: Online Consumer Information Solutions, or OCIS; Mortgage Solutions; Credit Marketing Services; and Direct Marketing Services. OCIS and Mortgage Solutions revenue is principally transaction-based and is derived from our sales of products such as consumer credit reporting and scoring, mortgage settlement services, identity verification, fraud detection and modeling services. USCIS also markets certain of our decisioning products which facilitate and automate a variety of consumer credit-oriented decisions. A significant majority of USCIS products are delivered electronically. Credit Marketing Services and Direct Marketing Services revenue is principally project- and subscription-based and is derived from our sales of batch credit or demographic information such as those that assist clients in acquiring new customers, cross-selling to existing customers and managing portfolio risk.

The International segment consists of Canada Consumer, Europe and Latin America. Canada Consumer's products and services are similar to our USCIS offerings, while Europe and Latin America are made up of varying mixes of product lines that are in our USCIS, North America Commercial Solutions and North America Personal Solutions reportable segments.

The TALX segment consists of The Work Number® and Tax and Talent Management business units. The Work Number revenue is transaction-based and is derived primarily from verification of employment and income data of employees in the U.S. reported to us by employers. Tax and Talent Management revenues are derived from our provision of certain human resources business process outsourcing services that include both transaction- and subscription-based product offerings. These services assist our customers with the administration of unemployment claims and employer-based tax credits and the assessment of new hires.

North America Personal Solutions revenue is both transaction- and subscription-based and is derived from the sale of credit monitoring and identity theft protection products, which we deliver to consumers through the mail and electronically via the internet.

North America Commercial Solutions revenue is principally transaction-based and is derived from the sale of business information, credit scores and portfolio analytics that enable customers to utilize our reports to make financial, marketing and purchasing decisions related to businesses.

Geographic Information. We currently operate in the following countries: Argentina, Brazil, Canada, Chile, Costa Rica, Ecuador, El Salvador, Honduras, Peru, Portugal, the Republic of Ireland, Spain, the U.K., Uruguay, and the U.S. Our operations in Costa Rica and the Republic of Ireland focus on data processing and customer support activities. During the second quarter of 2008, we expanded into Russia by acquiring an equity interest in a consumer credit information company. Of the countries we operate in, 73% of our revenue was generated in the U.S. during the twelve months ended December 31, 2008.

Key Performance Indicators. Management focuses on a variety of key indicators to monitor operating and financial performance. These performance indicators include measurements of operating revenue, change in operating revenue, operating income, operating margin, net income, diluted earnings per share, cash provided by operating activities and capital expenditures. The key performance indicators for the twelve months ended December 31, 2008, 2007 and 2006, were as follows:

	Key Performance Indicators Twelve Months Ended December 31,		
(Dollars in millions, except per share data)	**2008**	**2007**	**2006**
Operating revenue	**$ 1,935.7**	$ 1,843.0	$ 1,546.3
Change in operating revenue	**5%**	19%	7%
Operating income	**$ 477.2**	$ 486.2	$ 436.1
Operating margin	**24.7%**	26.4%	28.2%
Net income	**$ 272.8**	$ 272.7	$ 274.5
Diluted earnings per share	**$ 2.09**	$ 2.02	$ 2.12
Cash provided by operating activities	**$ 444.7**	$ 449.9	$ 372.1
Capital expenditures	**$ 110.5**	$ 118.5	$ 52.0

Operational Highlights.

Revenue increased five percent to $1.9 billion.

EPS for the full year 2008 was $2.09, a four percent increase over $2.02 in 2007.

During the third quarter of 2008, we realigned our business to better support our strategic objectives which resulted in $16.8 million of restructuring and asset write-down charges ($10.5 million, net of tax). We also recognized a tax benefit of $14.6 million related to uncertain tax positions for which the statute of limitations expired.

We repurchased 4.5 million shares of our common stock on the open market for $155.7 million during 2008.

Our effective tax rate for the full year 2008 was 32.8 percent, down from 35.8 percent in 2007.

Total debt was $1.22 billion at December 31, 2008, a decrease of $168 million from December 31, 2007.

Business Environment, Company Outlook and Strategy

During 2008, the financial markets experienced unprecedented volatility around the world. Many of our customers, especially financial institutions, are encountering much uncertainty, which limits our visibility into their future plans and activities. A number of our customers have reduced their level of activity as a result of continued weakening of the U.S. and U.K. economies in particular.

Additionally, there has been more significant activity related to the consolidation of financial institutions, including the recent acquisitions of Wachovia by Wells Fargo, of Countywide Financial by Bank of America and Washington Mutual by JPMorgan Chase. In the past, we have been impacted by industry consolidation. While average core product unit prices tend to decline as a result of consolidation, we look to negotiate higher volumes and capitalize on opportunities to sell additional products and services to offset the decline in prices. However, given significant financial stress impacting financial markets and reduced willingness to extend credit, past experience may or may not continue in the current market.

Given the slowing global economic growth and challenging business environment, we continue to focus on our initiatives to reduce and manage our expenses, while trying to preserve our operating margins, earnings performance and cash flows from operations. Also, we continue to realign our resources to pursue key strategic objectives, including new product innovation and international expansion. Based on the uncertainty in the global economy, assuming exchange rates remain at levels consistent with December 31, 2008, we expect revenue in the first quarter of 2009 to be similar to the fourth quarter of 2008.

RESULTS OF OPERATIONS TWELVE MONTHS ENDED DECEMBER 31, 2008, 2007 AND 2006

Consolidated Financial Results

Operating Revenue

Operating Revenue	**Twelve Months Ended December 31,**			**Change**			
				2008 vs. 2007		**2007 vs. 2006**	
(Dollars in millions)	**2008**	**2007**	**2006**	**$**	**%**	**$**	**%**
U.S. Consumer Information Solutions	**$ 890.8**	$ 969.7	$ 968.1	**$ (78.9)**	**(8)%**	$ 1.6	0%
International	**505.7**	472.8	402.8	**32.9**	**7%**	70.0	17%
TALX	**305.1**	179.4		**125.7**	**70%**	179.4	nm
North America Personal Solutions	**162.6**	153.5	126.0	**9.1**	**6%**	27.5	22%
North America Commercial Solutions	**71.5**	67.6	49.4	**3.9**	**6%**	18.2	37%
Consolidated operating revenue	**$ 1,935.7**	$ 1,843.0	$ 1,546.3	**$ 92.7**	**5%**	$ 296.7	19%

nm not meaningful

2008 revenue increased 5%, or $92.7 million, compared to 2007 primarily due to the full year inclusion of TALX, which was acquired on May 15, 2007. Revenue in our four other business units collectively declined by $33.0 million, or two percent, as growth in our International, North America Personal Solutions and North America Commercial Solutions segments through the first nine months of the year was able to partially, but not fully, offset an eight percent decline in our USCIS business. Although the impact of foreign currency exchange rates on 2008 full year revenue growth was minimal, a strengthening of the U.S. dollar in the fourth quarter of 2008 compared to 2007 exchange rates negatively impacted fourth quarter revenue growth. If foreign exchange rates remain at levels consistent with December 31, 2008, foreign currency translation would negatively impact expected 2009 revenue growth by approximately four percent.

The 2007 increase in revenue, as compared to 2006, is primarily due to $179.4 million of incremental revenue from our acquisition of TALX. Additionally, double-digit growth in our International, North America Personal Solutions and North America Commercial Solutions segments also contributed to the increase in revenue, as discussed in greater detail in "Segment Financial Results" below. Foreign currency had a favorable impact on 2007 revenue growth of $32.5 million, or 2%, when using 2006 exchange rates.

Operating Expenses

Operating Expenses	**Twelve Months Ended December 31,**			**Change**			
				2008 vs. 2007		**2007 vs. 2006**	
(Dollars in millions)	**2008**	**2007**	**2006**	**$**	**%**	**$**	**%**
Consolidated cost of services	**$ 778.8**	$ 752.0	$ 626.4	**$ 26.8**	**4%**	$ 125.6	20%
Consolidated selling, general and administrative expenses	**524.3**	477.1	401.0	**47.2**	**10%**	76.1	19%
Consolidated depreciation and amortization expense	**155.4**	127.7	82.8	**27.7**	**22%**	44.9	54%
Consolidated operating expenses	**$ 1,458.5**	$ 1,356.8	$ 1,110.2	**$ 101.7**	**8%**	$ 246.6	22%

Cost of Services. Cost of services in 2008 increased, as compared to 2007, mainly as a result of our acquisition of TALX, which contributed $38.3 million of incremental cost period-over-period, as well as increased production and salary costs related to growth in our Latin America operations. These increases were partially offset by declining costs due to decreased revenue and expense efficiency initiatives in USCIS.

The 2007 increase in cost of services, as compared to 2006, was significantly affected by our acquisition of TALX, which contributed $60.1 million of this increase. The remainder of the increase is primarily due to (1) higher production and related costs due to revenue growth, including costs related to converting a major customer to our enabling technologies; (2) the impact of foreign currency translation; (3) expenditures to enhance the efficiency, effectiveness and reliability of our information technology platforms, processes, and development capabilities in support of our long-term growth strategy; and (4) higher salary and contractor staffing costs, partly due to increased call volume and a second outsourced call center related to North America Personal Solutions.

Selling, General and Administrative Expenses. Selling, general and administrative expense for 2008, as compared to 2007, increased mainly as a result of our acquisition of TALX, which contributed $39.2 million of incremental cost year-over-year. This increase was also due to a $14.4 million charge recorded in the third quarter of 2008 related to headcount reductions and certain contractual costs. These charges were related to our business realignment to better support our strategic objectives in the current economic environment. These increases were partially offset by reduced personnel costs, incentive expenses and discretionary spending based on actions taken as a response to the deteriorating U.S. economy in 2008.

The 2007 increase in selling, general and administrative expenses, as compared to 2006, was mainly due to our acquisition of TALX, which contributed $51.8 million of this increase. The remainder of the increase is primarily due to (1) salary costs related to increased headcount for the expansion of corporate capabilities in key support areas, including marketing and technology; (2) the impact of foreign currency translation; and (3) expenses related to Austin-Tetra (which was acquired in October 2006). This increase was partially offset by lower litigation costs.

Depreciation and Amortization. The increase in depreciation and amortization expense for 2008, as compared to 2007, was primarily due to the inclusion of a full year of results from our acquisition of TALX, which contributed $24.3 million of incremental depreciation and amortization expense in 2008, and a $2.4 million software write-down charge recorded in the third quarter of 2008 associated with our business realignment.

The 2007 increase in depreciation and amortization expense, as compared to 2006, was mainly due to $38.3 million in incremental depreciation and amortization expense related to our acquisition of TALX. The remainder of the increase is primarily due to higher depreciation expense related to increased capital expenditures in 2007, including the purchase of our data center facility in Atlanta, Georgia in July 2007, and higher intangible amortization expense related to our acquisitions of Austin-Tetra in October 2006 and of three mortgage affiliates in the first quarter of 2007.

For additional information about the charges and fees related to our business realignment, see Note 10 of the Notes to the Consolidated Financial Statements in this Form 10-K.

Operating Income and Operating Margin

Operating Income and Operating Margin	Twelve Months Ended December 31,			Change			
				2008 vs. 2007		2007 vs. 2006	
(Dollars in millions)	2008	2007	2006	$	%	$	%
Consolidated operating revenue	**$ 1,935.7**	$ 1,843.0	$ 1,546.3	**$ 92.7**	**5%**	$ 296.7	19%
Consolidated operating expenses	**(1,458.5)**	(1,356.8)	(1,110.2)	**(101.7)**	**8%**	(246.6)	22%
Consolidated operating income	**$ 477.2**	$ 486.2	$ 436.1	**$ (9.0)**	**(2)%**	$ 50.1	11%
Consolidated operating margin	**24.7%**	26.4%	28.2%		**(1.7) pts**		(1.8) pts

The decline in the operating margin for 2008, as compared to 2007, mainly reflects higher acquisition-related amortization expense, which increased $20.9 million primarily due to our acquisition of TALX; the increase in general corporate expense, which includes the $16.8 million restructuring and asset write-down charges related to our business realignment recorded in the third quarter of 2008; and the decrease in operating margin for our USCIS business, as described in more detail below.

The 2007 decline in operating margin, as compared to 2006, was primarily due to a decline in the margins of our USCIS business unit and the impact of acquisition-related amortization expense from our acquisition of TALX. This amortization expense represented 2% of 2007 consolidated revenue.

Other Expense, Net

Other Expense, Net	Twelve Months Ended December 31,			Change			
				2008 vs. 2007		2007 vs. 2006	
(Dollars in millions)	2008	2007	2006	$	%	$	%
Consolidated interest expense	**$ 71.3**	$ 58.5	$ 31.9	**$ 12.8**	**22%**	$ 26.6	83%
Consolidated minority interests in earnings, net of tax	**6.2**	6.1	4.5	**0.1**	**2%**	1.6	36%
Consolidated other income, net	**(6.2)**	(3.0)	(16.2)	**(3.2)**	**106%**	13.2	(81)%
Consolidated other expense, net	**$ 71.3**	$ 61.6	$ 20.2	**$ 9.7**	**16%**	$ 41.4	205%
Annual average cost of debt	**5.3%**	6.1%	5.7%				
Total consolidated debt, net	**$ 1,219.3**	$ 1,387.3	$ 503.9	**$ (168.0)**	**(12)%**	$ 883.4	175%

The increases in other expense, net, for 2008 and 2007 as compared to the prior periods, were primarily due to increased interest expense driven by a higher level of debt which was used to fund the acquisition of TALX in 2007 and our share repurchase activity in both years. For additional information about our debt agreements, see Note 4 of the Notes to the Consolidated Financial Statements in this Form 10-K.

Other income, net, in 2008 includes a $5.5 million gain on our repurchase of $20 million principal amount of ten-year senior notes due 2017. The decrease in other income, net, in 2007 over 2006 was primarily due to the $14.1 million non-taxable gain recognized during 2006 in connection with our Naviant litigation settlement.

Income Taxes

Provision for Income Taxes	**Twelve Months Ended December 31,**			**Change**			
				2008 vs. 2007		**2007 vs. 2006**	
(Dollars in millions)	**2008**	**2007**	**2006**	**$**	**%**	**$**	**%**
Consolidated provision for income taxes	**$ 133.1**	$ 151.9	$ 141.4	**$ (18.8)**	**(12)%**	$ 10.5	7%
Effective income tax rate	**32.8%**	35.8%	34.0%				

Our effective income tax rate for 2008 was down from 2007, primarily due to the recognition of a $14.6 million income tax benefit related to uncertain tax positions associated with our Brazilian operations, for which the statute of limitations expired during the third quarter of 2008.

The 2007 increase in our effective income tax rate, as compared to 2006, was primarily due to changes in several tax reserves in 2006 that did not recur in 2007. This increase was partially offset by a lower foreign and state tax rate compared to 2006; a favorable second quarter 2007 discrete item related to our foreign tax credit utilization; and discrete items recorded during fourth quarter 2007, including a $2.9 million benefit for refunds related to our 2002 and 2003 U.S. federal income tax filings.

Net Income

Net Income	**Twelve Months Ended December 31,**			**Change**			
				2008 vs. 2007		**2007 vs. 2006**	
(Dollars in millions, except per share amounts)	**2008**	**2007**	**2006**	**$**	**%**	**$**	**%**
Consolidated net income	**$ 272.8**	$ 272.7	$ 274.5	**$ 0.1**	**0%**	$ (1.8)	(1)%
Diluted earnings per common share	**$ 2.09**	$ 2.02	$ 2.12	**$ 0.07**	**4%**	$ (0.10)	(5)%
Weighted-average shares used in computing diluted earnings per share, in millions	**130.4**	135.1	129.4				

Net income for 2008, as compared to 2007, was flat as contribution from TALX since its acquisition in May 2007, growth in operating income for International, North America Personal Solutions and North America Commercial Solutions, and lower income tax expense were offset by higher general corporate expense, which includes the aforementioned restructuring and asset write-down charges recorded in 2008, lower operating income for our USCIS businesses and higher interest expense.

The decline in net income for 2007, as compared to 2006, was a function of growth in operating income from our International, North America Personal Solutions and North America Commercial Solutions segments, when compared to 2006, and from the acquisition of TALX, more than offset by increased interest expense and a higher provision for income taxes.

Our 2008 earnings per share, as compared to 2007, was positively impacted by the reduction in our weighted-average shares outstanding resulting from the repurchase of 4.5 million shares in 2008.

Our 2007 earnings per share, as compared to 2006, was negatively impacted by the increase in our weighted-average shares outstanding resulting from our issuance of 20.6 million shares of common stock in connection with the TALX acquisition in May 2007, partially offset by the impact of 17.9 million shares repurchased in 2007 subsequent to the acquisition.

Segment Financial Results

U.S. Consumer Information Solutions

U.S. Consumer Information Solutions	**Twelve Months Ended December 31,**			**Change**			
				2008 vs. 2007		**2007 vs. 2006**	
(Dollars in millions)	**2008**	**2007**	**2006**	**$**	**%**	**$**	**%**
Operating revenue:							
Online Consumer Information Solutions	**$ 594.5**	$ 639.0	$ 619.2	**$ (44.5)**	**(7)%**	$ 19.8	3%
Mortgage Solutions	**70.2**	66.1	71.7	**4.1**	**6%**	(5.6)	(8)%
Credit Marketing Services	**132.0**	156.4	166.3	**(24.4)**	**(16)%**	(9.9)	(6)%
Direct Marketing Services	**94.1**	108.2	110.9	**(14.1)**	**(13)%**	(2.7)	(2)%
Total operating revenue	**$ 890.8**	$ 969.7	$ 968.1	**$ (78.9)**	**(8)%**	$ 1.6	0%
% of consolidated revenue	**46%**	53%	63%				
Total operating income	**$ 337.1**	$ 383.5	$ 395.7	**$ (46.4)**	**(12)%**	$ (12.2)	(3)%
Operating margin	**37.9%**	39.6%	40.9%		**(1.7) pts**		(1.3) pts

The decreases in revenue for 2008, as compared to 2007, were mainly due to effects of the continued weakness in the U.S. credit and retail economy, offset by growth in the Mortgage Solutions business primarily due to increased activity with our settlement services products. The slight increase in revenue in 2007, as compared to 2006, was due to growth in Online Consumer Information Solutions (OCIS), largely offset by decreased revenues in the other three service lines due primarily to weakness in the U.S. consumer credit and mortgage markets.

Revenues in our OCIS and Credit Marketing Services service lines and in our USCIS segment as a whole decreased sequentially in each quarter during 2008, as a result of the weakening U.S. economy. Based on current rates of economic and credit activity in the U.S., we currently expect revenue in the OCIS and Credit Marketing Services service lines and in the overall USCIS segment in 2009 to be below levels achieved in 2008.

OCIS. For 2008, as compared to 2007, revenue declined primarily due to a seven percent reduction of online credit decision transaction volume resulting from the weakness of the U.S. economy. The 2007 increase in revenue, as compared to 2006, was primarily due to volume increases from our regional customers and both volume and price increases from our smaller customers. Revenue from resellers also rose during 2007 due to price increases that became effective near the end of 2006, and we recorded higher revenue from our insurance, banking and regulatory brokerage monitoring customers. These increases were partially offset by price and volume decreases from certain large financial services institutions.

Mortgage Solutions. For 2008, as compared to 2007, revenue grew due to a four-fold increase in activity associated with our settlement services products and incremental revenue from our acquisition of certain assets of FIS Credit Services, Inc. in February 2008. These increases were partially offset by continued weakness in the U.S. housing market, which led to reduced transaction volumes from our existing mortgage customer base. The 2007 decline in revenue, as compared to 2006, was primarily a result of weakness in the U.S. mortgage markets, which led to reduced transaction volumes from our existing customer base and caused several large mortgage brokerage customers to cease operations during 2007. This decrease was partially offset by incremental revenue from our acquisition of three mortgage affiliates in the first quarter of 2007 and increased revenue related to new settlement services products.

Credit Marketing Services. For 2008 and 2007, as compared to prior years, revenue declined due to volume decreases from our existing customer base, primarily due to lower revenue associated with new account acquisition services as financial institutions have scaled back significantly on new marketing and extension of credit. These declines were partially offset by a continued increase in revenue related to customer portfolio management services used by institutions to manage and sustain existing customers. Our financial services customers began increased usage of our portfolio management services in 2007 and less usage of prescreen services, which reflects a continuing trend towards the enhanced management of their existing customer portfolios as opposed to new account acquisitions.

Direct Marketing Services. For 2008, as compared to 2007, revenue declined primarily due to reduced mailing volumes for existing customers reflecting the slowdown in retail sales and the marketing campaigns of many retailers, as well as changes to a contract with a large marketing services reseller. The 2007 decrease in revenue, as compared to 2006, was mainly due to reduced mailing volumes from our existing customer base, driven in part by the increase in postage rates, partially offset by increased revenue from new and renewed contracts to provide services related to our customers' marketing databases.

U.S. Consumer Information Solutions Operating Margin. Operating margin decreased for 2008, as compared to 2007, mainly due to the decline in revenue described above. With a high portion of fixed costs, USCIS operating expenses generally do not decline at the same rate as our revenue. The decline in revenue was partially offset by lower production and royalty costs due to a decrease in volume, as well as the impact of cost saving initiatives. Recognizing the continuing impact in 2009 of current economic conditions, management has taken and is continuing to take steps to streamline operations and increase efficiency in order to minimize the potential negative effect on operating margins of lower annual revenue.

The 2007 decline in operating margin, as compared to 2006, was primarily a result of the fixed cost nature of the USCIS business in the midst of revenue declines in our Mortgage Solutions, Credit Marketing Services and Direct Marketing Services business units. While revenue of the entire USCIS business was essentially flat, the operating expense of maintaining the databases, products, and customer support capabilities required for the business increased by 2.4%, reflecting annual compensation increases and enhanced product, processing and support capabilities.

International

International	**Twelve Months Ended December 31,**			**Change**			
				2008 vs. 2007		**2007 vs. 2006**	
(Dollars in millions)	**2008**	**2007**	**2006**	**$**	**%**	**$**	**%**
Operating revenue:							
Europe	**$ 175.0**	$ 183.8	$ 153.6	**$ (8.8)**	**(5)%**	$ 30.2	20%
Latin America	**219.9**	182.5	154.0	**37.4**	**20%**	28.5	19%
Canada Consumer	**110.8**	106.5	95.2	**4.3**	**4%**	11.3	12%
Total operating revenue	**$ 505.7**	$ 472.8	$ 402.8	**$ 32.9**	**7%**	$ 70.0	17%
% of consolidated revenue	**26%**	26%	26%				
Total operating income	**$ 149.9**	$ 141.1	$ 118.1	**$ 8.8**	**6%**	$ 23.0	20%
Operating margin	**29.6%**	29.8%	29.3%		**(0.2) pts**		0.5 pts

For 2008, as compared to 2007, revenue increased primarily due to growth in Latin America and Canada; offset by a decline in Europe due to weakness in the U.K. economy. Local currency fluctuation against the U.S. dollar minimally impacted our International revenue in 2008 and provided a favorable impact in 2007 of $31.0 million, or 7%. In local currency, revenue was up 7% in 2008 and 10% in 2007, when compared to the prior year. The 2007 increase in revenue, as compared to 2006, is attributable to growth in all three geographical areas. As noted above regarding our consolidated operating revenue, if foreign exchange rates remain at levels consistent with December 31, 2008, foreign currency translation would negatively impact expected 2009 revenue by approximately $80 million.

Europe. The decrease in revenue for 2008, as compared to 2007, was primarily due to the impact of foreign currency. Local currency fluctuation against the U.S. dollar negatively impacted Europe revenue by $8.4 million, or 5%, for 2008, when compared to 2007. Growth in the U.K. in the first half of 2008 was offset by declines in revenue, when compared to 2007, in the last six months of 2008 attributable to the weakening U.K. economy. The 2007 increase in revenue, as compared to 2006, was mainly attributable to our consumer risk products, with volume increases in the U.K. and new customers and pricing management strategies in Spain and Portugal. Local currency fluctuation against the U.S. dollar favorably impacted 2007 Europe revenue growth by $14.6 million, or 10%, as revenue was up 10% in local currency.

Latin America. For 2008, as compared to 2007, increased revenue was driven by double-digit growth in all countries in which we operate. Local currency fluctuation against the U.S. dollar favorably impacted Latin America revenue growth by $9.3 million, or 5%, for 2008, when compared to 2007, as revenue in local currency grew 15%, when comparing these periods. This broad-based revenue growth was primarily due to higher volumes related to our online solutions, enabling technologies and marketing products, as well as a new contract in Brazil to provide data to a large regional consumer services data provider. The increases were also impacted by acquisitions of several small businesses in Ecuador, Chile, Argentina, Brazil and El Salvador during 2008.

The 2007 increase in revenue, as compared to 2006, was driven by double-digit sales growth in six of the seven country markets in which we operate, primarily due to higher volumes of our online solutions, enabling technologies and marketing products. This was partially offset by weaker performance, in local currency, from Brazil due to increased competition, as volumes from small- and medium-sized commercial customers declined. Local currency fluctuation against the U.S. dollar favorably impacted our Latin America revenue growth by $10.2 million, or 7%, as revenue grew 12% in local currency in 2007.

Canada Consumer. For 2008, as compared to 2007, revenue growth was driven by higher prices and volume related to our marketing services and technology products. Local currency fluctuation against the U.S. dollar favorably impacted revenue growth by $1.2 million, or 1%, and revenue in local currency grew 3% for 2008, as compared to 2007. Although revenue increased year over year, revenue growth during the first nine months of 2008 was partially offset by weakness in the fourth quarter revenue due to the stronger U.S. dollar and deteriorating conditions in the Canadian economy. The 2007 increase in revenue, as compared to 2006, was primarily driven by price and volume increases for our consumer risk products, as well as increased volumes for marketing products. Local currency fluctuation against the U.S. dollar favorably impacted revenue growth by $6.1 million, or 6%, as rev