

10 Points About Comments Made From NAR Repeals Franchisor IDX Display

Written by Doug Kruhm
Wednesday, 30 November 2011 -

Here is the original article from Inman about the NAR repealing franchisor IDX display:

<http://www.inman.com/news/2011/11/14/nar-repeals-franchisor-idx-display>

There are many comments on the article, most from agents and brokers from around the country who are upset at the decision and are sounding off their displeasure.

A couple of notes are as follows:

01. Like most comments on stories that pertain to real estate IDX information, there's a lot of bad info included. In other words, some of the info listed is flat out inaccurate. This is really concerning especially because most of the comments were brokers and industry insiders that should know better.

02. Most, if not all, weren't involved in the process. In other words, they are so concerned about the topic that they decided to stay silent the entire time, put no effort into process and then complain when it didn't turn out the way they wanted it. I think every developer/programmer, especially open source, can relate to that. In addition, the griping doesn't offer any solutions or directions. It's simply two-year-old's stomping feet. Grumph.

Jay Thompson, who I disagree with most of the time about web techniques, made a comment that if the complainers are so upset, they should try and influence the outcome by joining a committee. This time I say: Hear! Hear!

03. MLS's are independent, similar to States of the Union. They are supposed to follow the guidelines/rules/processes/procedures set by the National level but have freedom to include their own set of standards. This means that options are not uniform across all MLS's and will change from MLS to MLS. For example, the Regional MLS has only one option for IDX which is listed out as PUBLIC INTERNET and the options are YES or NO. Martin MLS has several options for IDX which can be any combination of the following; IDX, REALTOR.COM, FL

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PROPERTIES, NONE.

04. I thought "ossified" meant open-source-software-ified... LOL. I had to look that one up. It actually means stagnant or cease developing. Kinda ironic, don't you think?

05. There are many references to ZILLOW and TRULIA but none to REALTOR.COM. Hmmm...

06. There was a point of "what would the clients want"? Good point. I haven't really seen any numbers or a recent survey on this. In my limited experience, most new agents I talk to don't know what ZILLOW or TRULIA are.

07. Another pointed that the decision was based off of fear from HOMES SERVICES OF AMERICA and that the Warren Buffett owned company pressured the outcome.

08. Agent Rene Plante made what I thought was a very insightful comment mentioning that the agent does all the work and takes all the responsibility for a property but gets none of the credit when the property is listed through IDX. I think he has a point. Possibly IDX should be seen as advertising. Currently, it isn't and they are separate items.

09. There was some talk of the franchises joining the ranks of ZILLOW and TRULIA and becoming syndication sites. Apparently this will happen in the first part of 2012. I didn't know that. The claim from Victor Lund is that this is the same as the franchises getting the entire IDX from the MLS's. I disagree. I see a big difference.

I'm curious to see if this would solve anything. I don't know why brokers would want to give their listings to a national franchise site and make the franchise stronger but maybe I'm wrong. I have been before. I suppose this will be the real test for the issue if brokers/agents/sellers really want as much exposure as possible.

I know that in one of my recent dealings a \$32 million listing client only wanted the property

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advertised on certain sites. In that particular case, they were in charge and not the broker or agent. I had to help remove the listing from syndicated web sites. In that case and many others I suppose, the MLS rules weren't "pesky" as Lund claims they are.

10. Steve Barbey's comment is one of the comments that is flat-out incorrect. While it starts out good noting that franchises are not real estate agencies, Barbey in continuation claims that the franchises will gain access to the same IDX info through syndication. The comment is similar to Lund's comment. The difference here is that originally the franchises would **take** the IDX information directly from the MLS's. With syndication, they must

receive

the info directly from other brokers. I see a big difference in taking the info without consent from originating agents/brokers/sellers and in receiving the info with their consent.

This is similar to Zillow/Trulia and Realtor.com issue which I discussed awhile back here: <http://regionalidx.com/blog/24-blog/61-real-estate-web-site-roundup>

Except I believe the quality of info will be worse.

In my opinion, this is not the same information. I suppose the horrendous quality of the information that will gather on their sites will be proof enough whether this is true or not.

It's also important to note that licensed agents and brokers are required by law for accurate advertising and property display. While the Zillow's and Trulia's of the world are able to skate away scott free without penalty, if an agent or broker lists property info incorrectly, and people make decisions based on that info, there are serious consequences.