

GC GALLAGHER CONSULTING INC.

(734) 432-1230

37625 Ann Arbor Road, Suite 113, Livonia, MI 48150
Fax: (734) 432-1233
E-mail: gallagher@cdnet.net

Secretary
Federal Trade Commission
Room H-159, 600 Pennsylvania Ave, N.W.
Washington, D.C. 20580

477093-129

Regarding: Gramm-Leach-Bliley Act Privacy Rule 16 CFR Part 313- Comment

3/16/00

To Whom It May Concern:

I am writing to express my concern with the proposed regulations to implement Title V of the Gramm-Leach-Bliley Act of 1999. As a business professional and small business person, I fear we would lose a valuable and very necessary source of locating individuals if "non-public personal information" is defined to include simple names and addresses of customers of financial institutions.

It was my impression that the clear intent of Congress was to provide an opportunity for customers of financial institutions to "opt-out" of sharing their personal financial information with non-affiliates of the institutions.

The statute provides protection for financial information—not mere names and addresses. If all information available to a financial institution is defined as "non-public personal information," then what is "public"? Congress seemed to be offering a distinction by describing financial information. I believe the Act provides opt-out of information regarding credit history, employment, and financial assets. But name, address and phone number should not be classified as "non-public." Credit bureaus have the most current name and address file available because consumers update their addresses with their credit card companies and other lenders when they move. That information is provided to credit bureaus on a regular basis. The information has the following uses:

- "Header data", as found on consumer reports is used to update addresses on mailing lists by the direct marketing industry.
- Law enforcement agencies use it to locate suspects, witnesses, and dead beat parents.
- The IRS uses it for returned mail, or to verify social security numbers.
- Mutual Funds use it to locate lost shareholders.
- Banks use it to verify addresses when opening checking accounts.

The internet economy will thrive if new companies can locate customers through direct mail and invite them to visit their web site. Start up electronic commerce companies cannot afford mass marketing and they can't afford commercials on the Super Bowl, so they will need direct marketing to locate customers and be able to compete. As the mass media becomes more diversified and less "mass" and as fewer consumers read general circulation magazines and newspapers, mass marketing becomes less effective and individualized direct marketing becomes more essential.

Digital certificates used to assure security on the web will require means to verify addresses. Prior to the use of header data from consumer reporting agencies, the best available source of names and addresses was the telephone directory. If Regulation P prohibits the use of header data, all of the above industries and government agencies will be forced to return to the phone book for names and addresses and the emerging internet economy will be crippled. If this information is deemed "non-public personal," only wrongdoers and criminals will benefit and the law-abiding consumer will be the loser. I urge you to define non-public personal information in the manner that Congress intended.

Sincerely,


Art Gallagher