

# **The Proliferation of Online Information Brokers and Reports of Abuses of Consumer Privacy by a Largely Unregulated Industry**

Comments by:  
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Submitted to the Federal Trade Commission  
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The Privacy Rights Clearinghouse (PRC) appreciates the opportunity to submit the following comments on the online information broker industry to the Federal Trade Commission (FTC) as part of the agency's deliberations for the Privacy Roundtables series. The PRC is a nonprofit consumer advocacy organization based in San Diego, California, and established in 1992.

We base our comments about the online information broker industry on the many complaints we have received from individuals who have contacted us via our web-based contact form, email, and phone. The PRC receives such complaints on a near-daily basis.

To supplement these comments we refer you to a resource on our website, enabling individuals to locate the myriad of such companies and indicating those with a known opt-out mechanism. You can find our compendium at this URL: <http://www.privacyrights.org/ar/infobrokers.htm>. We have also included a list of information brokers at the end of this document. (APPENDIX 1)

The online information broker industry has come to the forefront of consumer privacy issues in recent years. Information brokers are companies that compile information on individuals via public, semi-public and private records and offer this information via online "lookup" services, often with no questions asked. Some charge a fee while others provide their services at no charge. Consumers who are attempting to limit the availability of their personal information, due to concerns about privacy, safety or identity theft, have lodged numerous complaints against this industry with the PRC over the years.

Specifically, we have received complaints from consumers about frustrations with inaccurate data, the difficulty in opting out of databases or being charged fees to opt out, concerns over potential employers utilizing online information brokers without the guarantees provided by the Fair Credit Reporting Act, and a general dearth of regulation of this growing industry.

We urge the Federal Trade Commission to investigate unfair and deceptive business practices by companies within this industry. Below, we offer examples of complaints we have heard from concerned consumers.

The major complaint we receive is that such companies even exist. Information brokers typically have no direct relationship with their data subjects. Yet, they compile and sell such personal

information without individuals' consent. The PRC website explains that information brokers obtain most of the information that they sell or otherwise provide from public records and other publicly- available sources. When we explain to individuals who have contacted us with their complaints that the information broker industry is, for the most part, not regulated, their dismay only increases.

For victims of stalking and domestic violence, keeping personal information private can be a matter of life and death. We were recently contacted by an attorney whose client is at risk of physical harm if her residential location is disclosed. She was troubled to learn that a profile about her, including her residential address, is posted on the website of Integrascan.

<http://www.integrascan.com>

The attorney attempted to contact the company, but experienced considerable difficulty in locating the CEO and other top administrators. When she did reach the CEO, this person refused to remove the posting, despite the attorney presenting testimony from her client's doctors and therapist about the likelihood of harm if her location is exposed. The victim had been successful in removing her identifying information, including residential address, from virtually every other source. With the help of her attorney, all property is now held in trust and former property records have been redacted. No voting records exist any longer. And media records have been removed from online sources. Despite the arguments of her attorney, the Integrascan executive did not remove her client's profile.

Another category of complaints pertains to the opt-out process, if any. There is no standard mechanism for opting out of those online databases in which data removal is offered. The instructions are frequently buried within a privacy policy thick with legalese. A common complaint we receive is that an individual has contacted the company with a request to opt out, but that the company has not complied. Many such individuals have made several requests of a single company, only to be repeatedly ignored. Even if an individual has been successful in having their personal information removed or blocked, the information often returns to the company's website when it updates its data. It is important to reiterate that not all information brokers provide opt-out opportunities; there is no legal requirement that they do so.

Consumers have contacted the PRC to complain about those information brokers that charge a fee to opt out:

- US Search allows consumers to suppress their information for one year at a time by paying a fee of \$10 via a credit card transaction online.  
<http://www.ussearch.com/consumer/commerce/about/privacy.jsp> (accessed April 14, 2010)
- In order to opt-out of Melissa Data's database, individuals must enroll in Optout.com's IronShield identity theft prevention service (membership \$9.95/30 days or \$79.95/year). Although the Melissa Data privacy policy and terms of service contain no information about this opt-out option, a telephone interview with Optout.com (April 14, 2010) confirmed that a subscription to its service would implement the opt-out opportunity with Melissa Data <http://www.melissadata.com> and <https://www.optout.com/register.aspx>. (accessed April 14, 2010)

Needless to say, for consumers attempting to control the flow of their personal information around the Internet, following the instructions in order to opt out of every online data base is complicated, time consuming and expensive.

The Privacy Rights Clearinghouse has also seen an increase in consumer complaints about websites that aggregate and disclose personal information from numerous public sources, primarily social media. Based on a spate of recent complaints, we focus on one such company, Spokeo, found at <http://www.spokeo.com>.

Spokeo is a lookup services that accesses social networks, phone books, marketing surveys, business databases, e-commerce stores, and other public databases. Searches can be conducted on an individual's name, phone number or email address. A user may also enter his or her email address and password and run concurrent searches on every person in his or her contact list. Spokeo advertises this as a way to "Quickly uncover hidden photos, videos, and secrets. Scan your email contacts and be shocked by what you find." <http://www.spokeo.com/friends> (accessed April 14, 2010)

The PRC has received complaints that Spokeo has posted information from social media sites even though individuals have taken steps to implement constrictive privacy settings. Consumers have also complained that it is difficult to opt out of Spokeo, a multi-step process that implies information can be suppressed with one click but in fact necessitates mailing in documentation, including a photocopy of the individual's driver's license, and waiting several weeks. [http://www.spokeo.com/blog/?page\\_id=130#3](http://www.spokeo.com/blog/?page_id=130#3) and [http://www.spokeo.com/blog/?page\\_id=110](http://www.spokeo.com/blog/?page_id=110) (accessed April 14, 2010)

In conclusion, this report is but a small sampling of the complaints we have received from individuals about information brokers. We encourage the FTC to examine its Sentinel database for complaints it has received from individuals regarding information brokers, if it has not already done so. Given the many complaints our organization has received in recent years, we are convinced this is a major area of consumer protection awaiting the FTC's investigation and oversight, in particular, regarding those companies that appear to be engaged in unfair and deceptive business practices.

**APPENDIX 1:** For illustration purposes, following are the names of several information brokers (some are inter-related). This list is not comprehensive. Two types of information brokers are included: (1) those that provide directory information only, such as name, address, phone number, and email address; and (2) those that compile more robust profiles from public records and other publicly-available sources.

1-800-USSearch  
1-800-WhoWhere  
555-1212.com  
Abika

Accurint  
Acxiom  
Address.com  
Ameridex  
Ancestral Findings  
Ancestry  
Anywho  
Background Record Finder  
Cellular Phone Records  
ChoicePoint (now part of LexisNexis)  
CIA Data  
Courts Online.org  
DA Plus  
DEX Media  
Docusearch  
E-FindOutTheTruth.com  
Enformian  
Family Tree Maker  
Find a Friend  
Genealogy  
Genealogy Lookups  
IAF  
InfoSpace  
InfoUSA  
Instant PeopleFinder  
Integriscan  
Integrity  
Intelius  
Knowx  
LexisNexis  
Locate People  
Lost People  
Lycos  
Melissa Data  
MerlinData  
My Family  
My People Reports  
National PeopleFinders  
OmniTrace  
Online Background Checks  
People Data  
People Find  
People Find USA  
People Finder  
People Lookup  
People of America

People Record Finder  
Phone Book  
Phone Number  
Private Eye  
Public Data  
Public Record Finder  
Public Record Service  
[The] Public Records  
Public Records Now  
Roots Web  
Scopeo  
Search Detective  
Social Security Search USA  
Super Pages  
Switchboard  
USA People Search  
US Search  
Veromi  
Vital Search  
Vital Search Worldwide  
Voter Lists Online  
WestLaw  
White Pages  
WhoWhere  
World Pages  
Your Own Private Eye  
ZabaSearch  
ZoomInfo

[see also credit bureaus: Equifax, Experian, TransUnion]

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