

## UNITED STATES OF AMERICA Federal Trade Commission WASHINGTON, D.C. 20580

Office of the Chair

## Remarks of Chair Lina M. Khan As Prepared for Delivery PrivacyCon 2022

## **November 1, 2022**

Hello everyone, and thank you for coming today. PrivacyCon is one of the most important events we host all year.

It's no secret that government has not always kept up with the pace of technological change. That has probably always been true to some extent. Eighteenth-century constables were probably baffled by the advent of the steam engine. But the digital revolution has been especially challenging. At least you could see a steamship with your own eyes. With today's technological revolution, the most important shifts take place out of sight. The surveillance economy became widely entrenched long before it was widely understood. And the law was slow to recognize the harms that flow from it.

That's why it's so important that we hear from the academic community. The Commission started PrivacyCon in 2016 to help us get better at spotting challenges before they become crises. Academics have often been the first to see what the FTC and other government bodies may have missed. Calling them Cassandras might be hyperbolic, but only by a little. These presentations are often prescient about the privacy issues lurking just around the corner.

If you look at today's agenda, you'll see what I mean. We'll be hearing from innovative researchers across a wide range of privacy-related areas. We have leading experts on topics like adtech and algorithmic recommendations. These are areas that are central to data privacy, but can be very hard to understand. I'm also excited to see that we have panels on emerging fields like virtual reality and augmented reality. VR and AR are both essentially still in beta, without a clear business model. But that hasn't stopped some of the world's biggest technology companies from investing billions. Regulators shouldn't wait until a new sector matures before thinking about the issues it could raise. The FTC needs to be on top of this emerging industry now, before problematic business models have time to solidify. Listening to the academic community is a key part of how we do that.

But don't get me wrong. PrivacyCon isn't just about the future—it's about now. At the FTC, we're working on privacy matters constantly. And we've been prioritizing the use of creative ideas from academia in our bread-and-butter work. One way we do that is by crafting better remedies to reflect what's really happening on the ground. We recently settled a case

against the alcohol-delivery app Drizly, which had suffered two major breaches of consumer data. Our complaint alleged that the company had failed to take reasonable steps to prevent that from happening. The settlement imposes specific requirements that reflect current best practices. For example, Drizly must require employees to use multi-factor authentication when accessing consumer data. It must destroy any user data that it no longer needs—and document that to the FTC. These might not sound very cutting-edge to true privacy nerds, but they are a big step forward for government enforcers.

Speaking of cutting-edge: I'm excited to introduce everyone to our new Chief Technology Officer, Stephanie Nguyen. Stephanie is a brilliant technologist with wide experience across government, the private sector, and academia. She's a total star, and we're thrilled to have her. As CTO, Stephanie will be leading the charge to integrate technologists into and across the Commission's various lines of work. That interdisciplinary effort will help the FTC be more flexible and nimble in its defense of consumer privacy. You'll be hearing from Stephanie next.

I'd also like to recognize the work of countless FTC staff whose efforts have been integral to PrivacyCon. Thank you to everyone who contributed in the Bureau of Consumer Protection, the Bureau of Economics, and the Office of Policy Planning. In particular, I'm grateful to Jamie Hine, Lerone Banks, Molly Smith, Caelan Conant, and Jacqueline Brayboy for their deep involvement in putting together today's event.

Finally, thanks to everyone tuning in. I know there are a lot of things competing for your attention. I'm grateful you chose to spend your time today with us. And with that, I'll turn it over to Stephanie.

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