

**ANALYSIS OF PROPOSED CONSENT
ORDER TO AID PUBLIC COMMENT**

*In the Matter of Vision I Properties, LLC, d/b/a CartManager International
File No. 042 3068*

The Federal Trade Commission has accepted an agreement, subject to final approval, to a proposed consent order from Vision I Properties, LLC, d/b/a CartManager International (“Vision One”). Vision One licenses shopping cart software and provides related services to thousands of small online retail merchants through its Web site, www.cartmanager.com.

The proposed consent order has been placed on the public record for thirty (30) days for receipt of comments by interested persons. Comments received during this period will become part of the public record. After thirty (30) days, the Commission will again review the agreement and the comments received and will decide whether it should withdraw from the agreement and take other appropriate action or make final the agreement’s proposed order.

This matter concerns Vision One’s collection and rental of personal information obtained from consumers making purchases from online merchants that used Vision One’s software. Vision One provides shopping cart software and services to thousands of small online retail merchants. The shopping cart software generates customizable “shopping cart” and “check out” Web pages that enable the merchant to process consumer purchases. A consumer uses these pages to select items for purchase. These pages then collect the consumer’s payment, shipping, and billing information.

The shopping cart and check out pages reside on Vision One’s Web site, enabling Vision One to collect consumers’ personal information through its software. The shopping cart and check out pages are designed to look like the other pages on the merchant’s site and typically display the merchant’s name and logo.

Many of the merchants using Vision One’s shopping cart software have posted privacy policies on their Web sites, which generally limit the disclosure of personal information collected from consumers. Many of these privacy policies have stated that the merchant’s practice is never to sell or rent personal information to third parties. Notwithstanding the promises made in these merchants’ privacy policies, Vision One rented the personal information (including name, address, telephone number, and purchase history) of nearly one million consumers it obtained through its software to third parties for marketing purposes. According to the complaint, Vision One failed to inform adequately these merchants or the consumers shopping at their sites that it intended to disclose this information. The Commission’s complaint charges that, by collecting consumers’ personal information at these merchant sites and renting it to third parties, knowing that such practices were contrary to these merchants’ privacy policies, Vision One engaged in unfair practices prohibited by Section 5 of the Federal Trade Commission Act.

The proposed consent order is designed to stop Vision One from violating Section 5 and to prevent Vision One from engaging in such violations in the future. Part I of the proposed consent order prohibits Vision One from making any misrepresentations regarding its collection, use, or disclosure of consumers' personal information. Part II of the order prohibits Vision One from disclosing to any third party for marketing purposes any personal information it previously collected from consumers through its shopping cart software used at a merchant's site.

Part III of the proposed order addresses Vision One's future collection of personal information. It prohibits Vision One from selling, renting, or disclosing to any third party for marketing purposes any personal information it collects from consumers through its shopping cart software, unless consumers are provided with notice. Vision One must disclose its information practices either to the merchants or directly to consumers prior to its collection of any personal information. If Vision One provides the notice directly to its merchants, it must obtain certifications from the merchants that they received the notice and have either (1) posted a privacy policy stating that consumers' information may be sold, rented, or disclosed to third parties, or (2) posted a clear and conspicuous notice on their Web sites advising consumers that they are leaving the merchant's site and entering Vision One's site where a different privacy policy governs. If Vision One chooses to provide notice directly to consumers rather than to the merchants, it must clearly and conspicuously post the notice on the page(s) where it collects personal information. The notice must state that the consumer is on Vision One's site and that personal information provided by the consumer will be used, sold, rented, or disclosed to third parties for marketing.

Part IV of the proposed order requires Vision One to pay \$9,101.63 to the United States Treasury as disgorgement of the fees it received from renting consumer information.

The remainder of the proposed order contains standard requirements that Vision One: maintain copies of privacy statements and other documents relating to the collection, use, or disclosure of personally identifiable information, and all notices, certifications, and other documents relating to the disclosures required by Part III of the order; distribute copies of the order to certain company officials and employees; notify the Commission of any change in the corporation that may affect compliance obligations under the order; and file one or more reports detailing its compliance with the order. Part IX of the proposed order is a provision whereby the order, absent certain circumstances, terminates twenty years from the date of issuance.

The purpose of this analysis is to facilitate public comment on the proposed order, and is not intended to constitute an official interpretation of the agreement and proposed order or to modify in any way its terms.

The proposed order, if issued in final form, will resolve the claims alleged in the complaint against the named respondent. It is not the Commission's intent that acceptance of this consent agreement and issuance of a final decision and order will release any claims against any unnamed persons or entities associated with the conduct described in the complaint.