January 12, 2010

Mr. Jay Libove
State of Georgia

Re: In the Matter of World Innovators Inc., File No. 092-3137

Dear Mr. Libove:

This acknowledges your letter commenting on the Federal Trade Commission’s consent agreement in the above-entitled proceeding. Your letter was placed on the public record pursuant to Rule 4.9(b)(6)(ii) of the Commission’s Rules of Practice, 16 C.F.R. § 4.9(b)(6)(ii), and was given serious consideration by the Commission.

Your comment encourages the Commission to impose additional penalties for World Innovators Inc. (“World Innovators”). The Commission believes that the proposed order contains significant relief that not only prohibits World Innovators from misrepresenting the extent to which it participates in or complies with the U.S.-EU Safe Harbor framework (“Safe Harbor”), but also with any other privacy, security, or other compliance program. Should the company claim to abide by the Safe Harbor but not abide by its underlying principles, it could be violating the terms of the final order and be liable for civil monetary penalties of up to $16,000 per violation, pursuant to Section 5(l) of the FTC Act. Thus, the penalties contained in the order are significant.

Your comment further encourages the Commission to investigate whether World Innovators complies with the substantive provisions of the Safe Harbor. Since 2000, the Commission has committed to giving priority to referrals of non-compliance with Safe Harbor principles from EU member states. To date, the Commission has not received any referrals from any EU data protection authorities or self-regulatory organizations for Safe Harbor violations. In this case, we had no evidence, via referral or otherwise, that the company’s substantive practices did not comply with the provisions of the Safe Harbor framework. Moreover, as noted above, the order prohibits World Innovators from misrepresenting the extent to which it participates in or complies with the Safe Harbor or any other compliance program; thus, as long as the company relies on the Safe Harbor framework as a means for transferring data outside Europe, the order has the effect of requiring the company to abide by the substantive Safe Harbor principles, consistent with the goals stated in your letter.
The Commission reiterates its commitment to enforcing the Safe Harbor. It will continue to give priority to matters involving the Safe Harbor, as evidenced by this and other matters.

After reviewing your comment, the Commission has determined that the public interest would be best served by accepting the consent order. Thank you again for your comment.

By direction of the Commission.

Donald S. Clark
Secretary