



May 31, 2013

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Subject: The “Internet of Things” – Workshop Recommendations

Dear Ms. Jadieski:

AAA appreciates the opportunity to offer topic recommendations for the agency’s November workshop on security and privacy implications posed by consumers’ proclivity for constant connectivity. Technological advances have been inextricably linked to consumer privacy concerns. The expansion of technology, telematics and internet connectivity to the vehicle raises a host of new privacy considerations that should be explored. Research from Gartner predicts that the automobile will be among the top three fastest-growing connected device platforms for Internet-based content<sup>1</sup>.

As part of the upcoming workshop AAA encourages you to consider including a vehicle technology/data segment on the agenda. Vehicles are rapidly becoming several-thousand-pound smart phones, and this trend is expected to continue as the younger generation drives greater expectations for seamless, high-tech-connectivity. Industry projections noted below support the need for discussions now to inform thoughtful consumer protections going forward:

- The number of cars able to connect to the Internet is forecasted to grow from less than 1 million in 2009 to more than 42 million by 2017, according to iSuppli.<sup>2</sup>
- The installed base of embedded and hybrid connected car systems is expected to grow from 45 million at the end of 2011 to 210 million by 2016.<sup>3</sup>

These issues cut across a broad section of stakeholders, including automakers, software companies, wireless industry, government agencies, safety groups and motorists. Specific topics that could be explored in such a session include:

- Vehicle data ownership – What protections are needed to ensure vehicle owners maintain control of the data their vehicle generates?

<sup>1</sup> Gartner, Gartner Top Industry Predicts 2011: Industries Rebound and Surge Ahead, March, 2011.

<sup>2</sup> iSuppli Corporation, Internet: A New Driving Force for Auto Content, Q4, 2010.

<sup>3</sup> ABI Research; April, 2011.

- Disclosure of vehicle data to third parties and what, if any, consumer protections need to be in place to protect data generated by the vehicle.
- The balance between consumer demands for connectivity and motorist safety and privacy (advanced location technology, automatic crash notification, etc.).
- Appropriate government role in facilitating connectivity and protecting consumers.

With the anticipated explosion of in-vehicle connectivity in the next 5-10 years, it is critical that the FTC begin a dialogue with all stakeholders about appropriate consumer protections. The November workshop provides the venue to begin these important discussions.

We would welcome the opportunity to work with FTC staff to provide a more formal perspective of this topic during the workshop planning stage. Please don't hesitate to contact Jill Ingrassia, at (202) 942-2062 or [jingrassia@national.aaa.com](mailto:jingrassia@national.aaa.com), if we can be of assistance.

Respectfully,

  
Kathleen F. Bower  
Vice President  
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