



February 3, 2011

Comments regarding the FTC Staff Report on “Protecting Consumer Privacy
in an Era of Rapid Change: A Proposed Framework for Businesses and Policymakers”

In response to increasing consumer demand, the Federal Trade Commission has recommended the creation of a Do-Not-Track service that would allow consumers to opt out of online data tracking by advertisers. We firmly believe that consumers have the right to decide who can track their actions online, when those actions can be tracked and what information about those actions can be tracked.

However, the question of whether this should be a government regulated function, or an industry driven function is worth considering. Consider how this consumer demand has been met with market driven solutions:

To test the appeal of a Do-Not-Track service, [Gallup](#) and [USA Today](#) conducted a [poll](#) in December of 2010 that gives some insights into consumer opinion on these tracking methods. Gallup found Internet users are for the most part aware that advertisers use their online browsing history to target ads to their interests, and they are largely opposed to such tactics, even if they help to keep websites free.

Though the poll found that 61% of respondents said they had noticed that ads had been targeted to them, 90% said they paid little to no attention to the ads, a finding that remained consistent across all age and economic groups. Most poll respondents said they would prefer to allow the advertisers of their choosing to target ads to them rather than allow all or no advertisers to do so.

In response, many online advertisers and companies have gone to great lengths to allow consumers to choose whether or not they will be tracked for advertising. Products such as Microsoft’s Internet Explorer, Google’s Chrome, Apple’s Safari and Mozilla Firefox have already, or are in the process of incorporating these consumer choices into their services, and more will do so in the months ahead without a federal mandate requirement.

Industry organizations like the Network Advertising Initiative’s (NAI) have built [tools](#) to enable consumers to opt out of behavioral Advertising, as has the consumer protection organization [PrivacyChoice.org](#). These companies and organizations should be commended for building consumer tracking choices into their products and incorporating some form of anonymity options through preferences or third-party plug-ins.

The poll results suggest that the alternative approaches that provide consumers a more thoughtful, user-driven approach to targeted advertising can be successful. When consumers have the opportunity to specifically choose the advertisers that can target them and manage the

ads to ones they want to see, they are more likely to pay attention to the ads, and are much less likely to object to the data collection methods advertisers use to customize the content.

As companies continue to respond to consumer privacy concerns, solutions should be founded on three core consumer protection principles:

1. **Transparency:** Consumers should have the ability to see what information is being collected about them by any party, and have the ability to understand how it's being used—particularly if that information is shared or sold to other parties.
2. **Choice:** Consumers should have the ability to easily find and modify information in their profiles, choose what types of information they will allow to have tracked, and choose who can or cannot track them.
3. **Control:** Consumers should have the ability to effect a one-click opt-out (or similar ease of opt-out method) of data collection, or a clear notification that the use of a service precludes this choice.

Ad tracking is an integral part of the Internet's revenue model, and helps finance the development and access to rich content and services that consumers would otherwise have to cover through subscription fees. Targeted advertising is not inherently wrong, and as discussions move forward the FTC and Congress should be mindful of whether legislation can do a better job than the industry in meeting consumer demands in a fast paced technology environment, or whether legislation could dampen a recovering economy.

We urge all parties in this debate to place the safety of consumers first and look forward to working with companies and regulators as they increase consumer safeguards to privacy in the future.

Sincerely,
Linda Criddle, President
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