

The October 30, 2015, "Follow the Lead: An FTC Workshop on Lead Generation" brought together a strong lineup of leaders representing many different perspectives and expertise about both the lead generation industry and its associated practices. LeadsCouncil appreciated the opportunity to provide our perspective during the workshop and influence what was hopefully the beginning of an evolutionary conversation about the continued role we are uniquely poised to play in ensuring industry compliance and protecting consumers in the marketplace.

The solution to effectively address current bad practices and inspire future good practices must be thoughtfully derived after building an indisputable foundation based on evidence, knowledge, and fact. During the workshop, representatives of the lead generation industry clearly signaled not only a willingness to identify practices worthy of additional, collective examination, but also provided much-needed transparency to cultivate a better understanding about the digital journey consumers take in the online marketplace as part of the lead generation process.

Like its cousins under the vast media umbrella, the lead generation industry has roots in the earliest examples of advertising, marketing, and direct-to-consumer contact. Yet the reality is that most consumers are unaware that lead generation has likely played a behind-the-scenes role in assisting them to select a plumber or car, a mortgage or school, or a vacation or credit card. It may be logical to then question if there is adequate transparency for consumers who initiate and choose to submit their information through a form. However a lack of transparency is not what enables consumer ignorance; transparency is abundant in the form of the mandated, voluminous disclosures lead generators are required to include on any landing page, which are not mandatory for the consumer to read and accept. During the workshop, it was suggested that more disclosures are needed to better educate the consumer about the process through which they are initiating, however from the lead generator's perspective, the disclosures we are required to provide offer a breadth of information about the nature and process, that the message is likely lost in an indecipherable sea of legal jargon. Additional disclosures will only inundate the consumer with more jargon that they will not likely read. The key is not more disclosures; the key is smarter disclosures (a good example is the recent changes to mortgage disclosures via the introduction of TRID by the CFPB). This example perfectly highlights the dichotomy between perpetuated innuendo and reality about lead generation practices. We at LeadsCouncil look forward to any future opportunity to address how effectively the existing regulatory framework for lead generation, including disclosures, protects consumers and engenders industry compliance.

Some claim that there is an overall lack of transparency for consumers who initiate and choose to submit their information through a form. During the workshop, it was suggested that more disclosures are needed to better educate the consumer about the process through which they are initiating, however such a recommendation demonstrates a fundamental lack of understanding about the breadth of information, as well as the nature of the lead generation process included in the current disclosures. Voluminous disclosures are required for lead generators to include on any landing page, which are not mandatory for the consumer to view. Additional disclosures will only inundate the consumer with more information that they will not likely read because they are just too overwhelming in both length and content. The key is not more disclosures; the key is smarter disclosures (a good example here are the recent changes to mortgage disclosures via the introduction of TRID by the CFPB). This example perfectly highlights the dichotomy between perpetuated innuendo and reality about lead generation practices. We at LeadsCouncil look forward to any future opportunity to further address the issue of disclosures, as well as other, prominently perpetuated

misstatements or factually-inaccurate examples of non-compliance, which unfortunately continue to be circulated by some with the bully pulpit with the FTC and any other, willing consumer protection body.

Lead generation is complex and misunderstood. The scope of lead generation is nearly impossible to try and wrap your arms around because the players are always changing and not all lead generators are based in the United States. Today, there is no longer a simple definition of what is a "lead." Is a lead the consumer's information that they entered into a form? Is a phone call derived from an online advertisement considered a lead? What about a click on a banner ad; is that a lead? The truth of the matter is that all forms of lead generation are generally just the entry point to a much larger universe, which is comprised of an intricate system of processes and algorithms that are constantly changing and evolving. What was addressed during a one-hour presentation on the fundamentals of lead generation was just the tip of an intricate, multifaceted iceberg that deserves additional, dedicated time to demonstrate the process in real-time and walk through each step of the process. The FTC and other government entities have the mandate to proceed with a number of possible actions following the workshop and completion of the comment period, and LeadsCouncil respectfully requests that any action come after a comprehensive review of the lead generation industry from experts who are positioned to provide a detailed, accurate portrayal of the lead generation process and its practices. We would be happy to facilitate one or more opportunities to further educate the FTC and other federal and state consumer protection bodies about lead generation practices.

Again, the workshop emphasized that there are fundamental misunderstandings about the lead generation industry's compliance with current laws and regulations. LeadsCouncil understands the interest the FTC has to learn more about lead generation, typical practices, and specific acts of non-compliance by lead generators. Respectfully, LeadsCouncil's recommendation about how the FTC can most efficiently, effectively, and reasonably achieve a more comprehensive understanding of lead generation processes and practices would be to conduct a comprehensive study, using LeadsCouncil and other, similar organizations as a resource. The results would be instructive to understanding the true nature of any non-compliance or malfeasance and guiding the discussion toward the most appropriate path forward. Often, with industry support and participation, the most impactful response is through a combination of additional regulatory guidance and government and industry leader partnership to better educate the broader industry and the consumer about their interactions in the marketplace.

LeadsCouncil, alongside other similarly positioned organizations and industry leaders, is committed to shouldering a greater burden of responsibility for ensuring that lead generators hold compliance and consumer protection standards equally at the top their business models through education, industry standards, and self-regulation. Our goal is to establish LeadsCouncil as a key, collaborative partner with federal and state consumer protection-focused bodies, as well as consumer protection advocates to successfully create and implement our proposed platform. LeadsCouncil's voluntary embrace of stronger and enforceable industry-driven compliance and consumer protection standards and invitation to the FTC to collectively examine and formulate a solution, if necessary, demonstrates our commitment to setting clear industry standards. LeadsCouncil will identify and address practices which don't meet the standards, and will act as the primary industry resource to ensure that the standards are well constructed and practical. It is not a small undertaking, but it is a necessary responsibility to which we are committed. As LeadsCouncil forges ahead towards achieving our vision of a stronger, compliance and self-regulatory driven, substantive

advocate, and a leading, respected voice about the industry, we are also eager to work with the FTC to identify the specific areas or practices that may require further guidance, education, or evaluation, and assist with crafting and executing a responsible solution after a thorough examination. Our hope is that, unlike prior cases where other industries came under targeted government scrutiny based more on misinformation and innuendo than a preponderance of evidence and fact, the FTC and other bodies, will draw from the invaluable resources that only LeadsCouncil and other industry leaders can provide, and take care to consider only substantiated data and information from reputable sources as the next steps are developed.

A solution-oriented commitment between government and industry, should any non-compliance be identified, would result in effectively targeting only the bad practices and acting as a deterrent for future bad practices. Along with the creation of enforceable industry standards, fostering a culture of greater consumer awareness, and a commitment toward strict compliance through an active compliance and self-regulatory regulatory process, LeadsCouncil maintains that we have the relevant tools, knowledge, and experience necessary to act as a critical partner in any efforts to examine, address, and remediate any compliance violation, and welcomes further discussion about such a collaboration.

LeadsCouncil would appreciate any additional opportunities to engage the FTC, and any other consumer-focused government agencies, in a meaningful, ongoing dialog about the issues addressed within our comments and many others about which we believe the FTC would deem relevant to the broader conversation. LeadsCouncil will play a critical role within the lead generation industry in setting and enforcing compliance standards, conducting education campaigns for both industry and consumers, and instituting a strong self-regulatory body with consequences for identified non-compliance. LeadsCouncil should be a key resource for the FTC, and other government bodies, as the conversation about the lead generation industry evolves, and will emerge as the industry's strongest voice and staunchest advocate on compliance, consumer protection, and self-regulation.