

Forum to focus on online privacy

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Thursday, November 1, 2007

To marketers, being able to track consumers online and offer them personalized pitches is considered good business. But privacy advocates hold a different view, calling such technology the incarnation of George Orwell's Big Brother.

The two sides will air their differences at a two-day public forum starting today hosted by the Federal Trade Commission in Washington. The meeting will pit the Internet industry's biggest and wealthiest companies - Google Inc., Yahoo Inc. and Microsoft Corp. - against a bevy of public interest groups.

At issue is how much information Internet companies should be able to collect about users as they flit across the Web. As it is, the industry keeps troves of data about users that help fuel the fast-growing online advertising business, which is expected to generate \$20 billion in revenue this year.

Jeff Chester, executive director of Center for Digital Democracy, a digital rights group whose complaints helped spur the FTC to call today's meeting, likened the collection of user data by the Internet companies to "wholesale commercial surveillance."

He said consumers largely are unaware of the amount of information compiled about their habits.

"What they see, what they do, what kind of searches they do is all harvested, tabulated and spread across the vast media without consent," Chester said. "It troubles me."

In a follow-up complaint to be filed today, he along with the U.S. Public Interest Research Group will ask the FTC to pay particular attention to data retained about children and the information collection practices and privacy policies of popular social-networking sites Facebook and MySpace, where users often list interests, ages and cities.

Randall Rothenberg, chief executive of the Interactive Advertising Bureau, an online industry trade group, advocates self-regulation in remarks to be given to the commission today.

He warns the agency about the dangers of regulation getting in the way of the industry's innovation and says people welcome ads that are tailored to their tastes.

"It is incumbent on the business community to ensure that interactive advertising, marketing and data-use practices are responsible," Rothenberg said.

"At the same time, government must be prudent in ensuring that no regulation is drawn that would curtail interactive advertising's potential to continue to support this extraordinary pattern of innovation and consumer benefit."

No immediate decisions about online privacy are expected to come out of the FTC's meeting. The commission's staff may eventually issue a report, or call another meeting, although even that is unclear.

On Wednesday, nine privacy groups called on the Federal Trade Commission to create a Do Not Track List modeled after the national Do Not Call List, which allows people to avoid telemarketing calls. Internet users would be able to ask that their online activities not be tracked, stored or used by marketers.

The technology wouldn't necessarily reduce the number of ads that consumers see. But Internet users who sign up no longer would be subjected to ads tailored specifically to their online behavior.

AOL, part of Time Warner Inc., said Wednesday that it would implement a program similar to Do Not Track by the end of the year for its Web properties and all 7,000 Web sites in its advertising networks.



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The technology would keep users' preferences even if users delete cookies, the small bits of software stored on their computers that allow their activities to be tracked.

The FTC's meeting is happening against the backdrop of Google's proposed \$3.1 billion acquisition of DoubleClick, an online advertising company.

The agency is reviewing the merger because of antitrust concerns, under the watchful eyes of privacy advocates, who say the marriage would lead to even more detailed tracking of Internet user behavior, an accusation that Google vigorously denies.

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