# Navigating the Turbulent Privacy Landscape

FPF

FUTURE

Jules Polonetsky Future of Privacy Forum Co-Chair & Executive Director



- Introduction of the Privacy Landscape
- Overview of Regulatory Efforts
- Self Regulatory Efforts
- Key Considerations
- Conclusion

# A Charged Atmosphere



## The New York Times

Watching Every Click You Make



Why should activating a : By HENRY ALFORD Published: April 20, 2012

WHEN you write blue cheese, an ad pop up on your pa get an ad for a boo Guesthouse."

## ConsumerReports.org

### Facebook & your privacy

Who sees the data you share on the biggest social network? Consumer Reports magazine: June 2012





California, Congress Move to Keep Facebook Passwords Private from Employers

## How Target Figured Out A Teen Girl Was Pregnant Before Her Father Did



t + Comment now

Every time you go shopping, you share intimate details about your consumption patterns with retailers. And many of those retailers are studying those details to figure out what you like, what you need, and which coupons are most likely to make you happy. <u>Target</u>, for example, has figured out how to data-mine its way into your womb, to figure out whether you have a baby on the way long before you need to start buying diapers.

Charles Duhigg outlines in the <u>New York</u> <u>Times</u> how Target tries to hook parents-to-be at that crucial moment before they turn into rampant — and loyal — buyers of all things



Target has got you in its aim



### Orbitz defends practice of showing Mac users pricier hotels

Orbitz's CEO says data collected by the travel search engine shows Mac users are 40% more likely than PC users to book four- or five-star hotels.

July 01, 2012 | By Hugo Martín, Los Angeles Times

### Orbitz Shows Mac Users Pricier Hotel Options: Big Deal Or No Brainer?

by MARK MEMMOTT

June 26, 2012 8:15 AM

## "Privacy in the eye of the beholder"

Apple Becomes The Richest And Most Valuable Company In The World – Has More Cash Than The US Government!

POSTED BY SAMIR SALEEM ON JANUARY - 26 - 2012





### How To Adjust Your Privacy Settings, Before Google's Big Shift

Categories: Privacy & Security

11:16 am

February 29, 2012

Twitter (177) 📘

E-mail 🖂

Facebook (1986) F

16-Jan-13

by BILL CHAPPELL

News that Google will place its dozens of services under one privacy policy — a change that also means the company will compile and collate each user's data from all those products - has some of its customers scrambling to restrict their privacy settings before the new policy goes into effect on March 1.



# Would you share this with your boss?

1 I his app may post on your behalf, including videos

Today

Me -

tion 👻

Close

	you watched, movies you recorded and more.					
	Access your data any time Socialcam may access your data when you are not using the application.					
	Why is Socialcam asking for these permissions? From Socialcam: This allows you to post Socialcam videos on Facebook when you choose to.					
Last data access:	Basic Information					
Posts on your behalf:	Who can see posts this app makes for you on your Facebook timeline?					
Notifications:	When to notify you? The app sends you a notificat					

## Now you can choose

# User Privacy Preferences

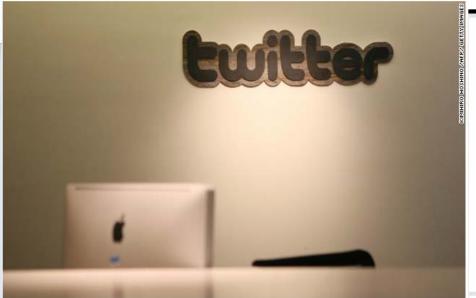
Options									8
[]] General	Tabs	Content	Applications	Privacy	Security	() Sync	Advanced		
Tracking Tell websites I <u>d</u> o not want to be tracked									
History									
Firefox	: <u>w</u> ill: N	lever remem	ber history	+					

Firefox will use the same settings as private browsing, and will not remember any history as you browse the Web.

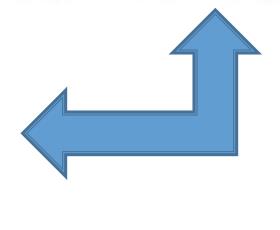
You may also want to clear all current history.

### Twitter joins 'Do Not Track,' gives users privacy option

By Todd Sperry, CNN updated 10:24 PM EDT, Thu May 17, 2012



Twitter has adopted the "Do Not Track" feature of Mozilla's Firefox browser, giving users more control over their privacy.





Location Bar When <u>u</u>sing the location bar, suggest: History and Bookmarks



C

# Malware Risk or Privacy Risk?

### BIT9



### JUNIPER NETWORKS

### Privacy Matters: Free vs Paid Apps



Free apps are 4x more likely than paid apps to have permission to track your location



Free apps are **3x more likely** than paid apps to have permission to **access your address book** 



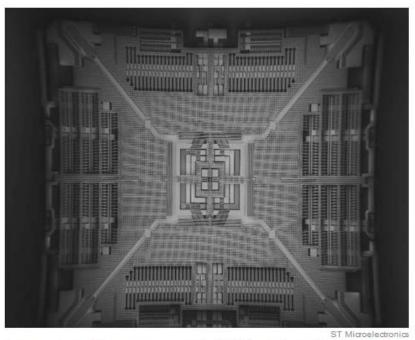
Free apps are 2.5x more likely than paid apps to have permission to access your device camera

Based on analysis of 1.7m apps in the Android Market researched by Juniper Networks Mobile Threat Center. This analysis included 1.3m free apps and 404.511 paid apps.

JUNIPEC



The Sensors Are Coming! By NICK BILTON



A microscopic view of a gyroscope sensor created by STMicroelectronics. It is as thin as a piece of paper and can detect the movement of a mobile phone.

Altimeter, elevation, perspiration, temperature, humidity, excitement, mood...

## FTC

- Section 5 Enforcement
- Mobile & Apps
- Children Online Privacy Protection Act
- Investigating Data Brokers

## White House "Consumer Privacy Bill of Rights"

- Announced February 2012
- Lays out proposed framework for comprehensive data privacy protection in the U.S.
- Takes two-pronged approach:
  - A set of baseline privacy principles—"bill of rights"
  - A set of codes of conduct backed by enforcement

## Multistakeholder Process

- Department of Commerce/NTIA
  - Developing codes of conduct for mobile apps
  - Short form notice
- Department of Energy
  - Third party codes of conduct for energy data
- More to come!

- Congress
- States
  - National Association of Attorneys General
  - CA Attorney General
    - Focus on mobile and apps
  - Smart Grid

(cont.)

## Proposed European Data Protection Regulation

- On January 25, 2012, the European Commission released its proposal to replace the 1995 EU Data Protection Directive
- Proposal represents a sea change; rule changes impact almost every area of data processing and violations could lead to fines up to 2% of global sales
- Changes are likely, and the final version is not anticipated to be adopted before the summer of 2014
- Key issues include:
  - Scope of Application
  - Consent
  - Right to be Forgotten

- Transfer Restrictions
- Service Provider Liability
- Breach Notification

## Self Regulatory Efforts

Platforms Terms of Service

- Trade Group Self-regulatory efforts
  - DAA
  - NAI
  - MMA and GSMA

#### ADVERTISING A Little 'i' to Teach About Online Privacy

By STEPHANIE CLIFFORD Published: January 26, 2010

#### A LITTLE blue symbol is carrying big implications.

3 Enlarge This Image



Trying to ward off regulators, the advertising industry has agreed on a standard icon — a little "i" — that it will add to most online ads that use demographics and behavioral data to tell consumers what is happening.

The icon will be used in online ads that go to users based on demographics.

#### 🖲 Enlarge This Image



Toyota Innovation

A mockup of an ad that includes the Power-l icon.

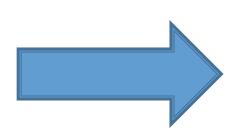
M TWITTER	
in LINKEDIN	
SIGN IN TO E-MAIL	
REPRINTS	
+ SHARE	

Jules Polonetsky, the co-chairman and director of the Future of Privacy Forum, an advocacy group that helped create the symbol, compared it to the triangle made up of three arrows that tells consumers that something is recyclable.

The idea was "to come up with a recycling symbol — people will look at it, and once they know what it is, they'll get it, and always get it," Mr. Polonetsky said.

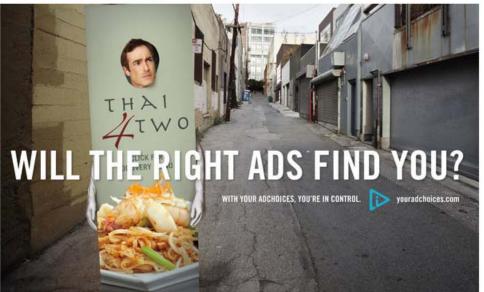
Most major companies running online ads are expected to begin adding the icon to their ads by midsummer, along with phrases like "Why did I get this ad?"

### Did you notice this icon?





### For Online Privacy, Click Here



An ad in a Digital Advertising Alliance campaign explains how users can control the ads they see.

By TANZINA VEGA Published: January 19, 2012

# **Key Considerations**

### Strategies for Striking the Right Balance

- From "Kodakers" to cookies: New technologies bring new fears
- But it's not personal!
- No Harm, No Foul is no longer the best defense
- Don't be Creepy
- Dignity and Privacy as a Human Right
- What They Know
- Sunlight is the best disinfectant: The transparency cure
- Privacy by Design

# In Conclusion

- Balancing privacy with value is critical to maintaining consumer trust
- Put privacy at the core of innovation agenda
- Anticipate potential user concerns and proactively address them with transparency and control
- Privacy norms and user expectations of privacy are changing
- Privacy communication can make or break your relationship with clients



# Thank You!



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