Navigating the Turbulent Privacy Landscape

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Agenda

- Introduction of the Privacy Landscape
- Overview of Regulatory Efforts
- Self Regulatory Efforts
- Key Considerations
- Conclusion
How Target Figured Out A Teen Girl Was Pregnant Before Her Father Did

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. Target, 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 New York Times how Target tries to hook parents-to-be at that crucial moment before they turn into rampant — and loyal — buyers of all things
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
How To Adjust Your Privacy Settings, Before Google's Big Shift

Categories: Privacy & Security

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?

Now you can choose
User Privacy Preferences

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.

When using the location bar, suggest: History and Bookmarks
Malware Risk or Privacy Risk?

BIT9

72% of apps use at least one potentially risky permission.

Image Credit: 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.
Altimeter, elevation, perspiration, temperature, humidity, excitement, mood...
Overview of Regulatory Efforts

- 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
Overview of Regulatory Efforts (cont.)

- **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!
Overview of Regulatory Efforts (cont.)

- Congress
- States
  - National Association of Attorneys General
  - CA Attorney General
    - Focus on mobile and apps
  - Smart Grid
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
Did you notice this icon?

A LITTLE blue symbol is carrying big implications.

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.

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?”
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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