



United States of America  
FEDERAL TRADE COMMISSION  
Washington, D.C. 20580

Office of the Secretary

April 11, 2013

Aaron Marks  
Marks Law Group, LLC  
State of Georgia

*Re: In the Matter of Watershed Development Corp., File No. 112 3151,  
Docket No. C-4398*

Dear Mr. Marks:

Thank you for your comment regarding the Federal Trade Commission's consent agreement in the above-entitled proceeding. The Commission has placed your comment on the public record pursuant to Rule 4.9(b)(6)(ii) of the Commission's Rules of Practice, 16 C.F.R. § 4.9(b)(6)(ii), and has given it serious consideration.

Your comment urges the Commission to require as part of the proposed consent order with Watershed Development Corp. ("Watershed") a published list of "all individuals whose privacy may have been violated," presumably in connection with Watershed's use of monitoring technology installed on rented computers. The Commission appreciates and shares your interest in safeguarding consumer's personal information. The proposed orders in this matter – which apply not only to Watershed, but to six other rent-to-own ("RTO") companies and DesignerWare, LLC (including its owners), the company which manufactured and licensed the monitoring and geophysical location tracking software investigated by the Commission – contain strong protections for consumer privacy.

You recommend that Watershed use information that it improperly collected to "publish a list" of and "give notice to" all affected individuals. Publication of a list of consumer victims would risk further eroding their privacy. Likewise, it is not apparent that requiring Watershed to notify them

disclosure of their personal information. Other order provisions protect consumers from future compromises to their personal information when they rent computers or similar devices from the RTO store respondents. For example, the orders ban the use of monitoring technology and restrict geophysical location tracking in connection with covered RTO transactions.<sup>1</sup>

In light of these considerations, the Commission has determined that the public interest would best be served by issuing the Decision and Order in this matter in final form without any modifications. The final Decision and Order and other relevant materials are available from the Commission's website at <http://www.ftc.gov>. It helps the Commission's analysis to hear from a variety of sources in its work. The Commission thanks you again for your comment.

By direction of the Commission, Commissioner Wright not participating.

Donald S. Clark  
Secretary

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<sup>1</sup> The proposed orders define "covered rent-to-own transaction" as 4(i)7(72 123.(act)3(i)3(o)-16(n)8( as)6.210(r)9)-8(nt)]TJ 0