

The Big Picture: Comprehensive Online Data Collection
Transcript
December 6, 2012
4:00 PM

Session 4

WE SHOULD LOOK AT IT AS AN A
INNOVATION POLICY BECAUSE REALLY
VIRTUALLY ALL OF THE INNOVATION
ON THE INTERNET DEPENDS ONE WAY
OR THE OTHER OF COLLECTION OF
INFORMATION, DEVELOP A PRODUCT,

>> I'M KIND OF THINKING ALONG
THE SAME LINES AND ALISSA.

IT MAY NOT BE, I CAN NO LONGER
BUY TIES BECAUSE I DIDN'T WEAR
ONE ON A SPECIFIC DAY OR
SOMETHING LIKE THAT.
BUT THE PROBLEMS ARE MAYBE NOT
AS EASY TO QUANTIFY AS A HARM.

>> CAN I FOLLOW UP ON THE HARM
POINT.

IT WAS MENTIONED THIS MORNING A
HYPOTHETICAL EXAMPLE OF A HOTEL
THAT HOSTED VERY SCANDALOUS ARC
AUTISTS.

AND THERE WAS A HARM DISCUSSION
ABOUT THAT.

WE ACTUALLY HAVE A REAL WORLD
EXAMPLE, NOT OF THE HOTEL I
THINK YOU'RE LAUGH ABOUT THE
HOTEL.

THERE'S A HOTEL IN NEW YORK THAT
FITS THAT MODEL.

BUT WE HAD A --

>> A COMPUTER COMPANY.

>> WE HAD A CASE INVOLVING A
COMPANY THAT RENTED COMPUTERS.
RINGTONE STORES RENT THE
COMPUTERS, THE COMPUTE HE IS
WERE CAPABLE OF REMOTELY
ACTIVATING THE REMEMBER CAMS.
RENT TO OWN STORES CAN ACTIVATE
THE WEBCAMS, COULD TRACE THE
LOCATION OF THE COMPUTERS,
OSTENSIBLE TO RECOVER THE
COMPUTERS IN CASE PAYMENT WAS
NOT FORTHCOMING.

AND THE CONSUMERS WERE NOT TOLD10.22 -1.15 Td [(A)-5(ND T)0.22 0 Td ()-5 RS,

BEDROOMS AND BATHROOMS ARE ALL TRADITIONALLY CONSIDERED TO BE ZONES, TRUE ZONES OF PRIVACY. THE EXAMPLE OF A COMPUTER BEING PLACED IN SOMEBODY'S HOME WITHOUT THE INDIVIDUAL KNOWING, IN SOME CASES PEOPLE ACTUALLY HAVING BEEN VIDEOED NAKED WITHOUT THEIR KNOWLEDGE, IS A VERY TRADITIONAL NOTION OF A PRIVACY HARM.

IT'S AN INTRUSION UPON SECLUSION.

I DON'T THINK THIS HYPOTHETICAL IS APPLICABLE TO MORE COMPLICATED WORLD OF USERS GOING TO -- GETTING VERY VALUABLE WEB CONTENT FOR FREE ESSENTIALLY ON THE INTERNET IN THIS MARKETPLACE THAT LISA DESCRIBED WHERE

THERE'S F 15002 Tc C4(R K)-5(N)C4(R M)NESRENIN AT LI F 15002GRE-SA THOG V,(O)1A4(N A)

ELUCIDATE OTHER ACTIVITIES THAT WE ALSO THINK IS PRIVACY INVASIVE BUT THIS IS A LARGER POINT.

BUT THE FOCUS ON HARM IS TAKING AWAY OUR DECISIONS -- OUR DECISION-MAKING ABILITY TO DETERMINE THE SOCIETY WE WANT TO LIVE IN.

IT'S UNDEMOCRATIC.

WE'RE BASICALLY MOVING THE GOAL POST TO THE POINT UNLESS YOU CAN SHOW ECONOMIC INJURY, THAT IS THE ARGUMENT THAT THESE COMPANIES MAKE IN LITIGATION THERE IS NO STAPPING, YOU CAN'T GO TO COURT.

THIS HARM DISCUSSION IS ROBBING US OF THE CHOICE IS DEMOCRATICALLY SAY THAT WE FIND IT OBJECTIONABLE TO PUT A CAMERA IN OUR BEDROOM OR TO SPY ON US AS WE TRAVERSE THE WEB.

>> LET ME BUILD ON THAT AND TAKE IT OUT OF THIS DESIGNER WEAR WHICH THE NAME OF THE CASE.

>> IT'S AN IRONIC NAME.

>> TALK ABOUT MORE ABOUT THE INFORMATION ASYMMETRY I THINK THAT'S IN PART THE QUESTION THAT I WAS GETTING AT, PART OF THE ISSUE THAT CASE RAISED. THERE ARE MORE AND MORE COMPANIES ABLE TO COLLECT DIFFERENT DATA POINTS, IT SEEMS LIKE THAT IS THE WAY THE COMPETITION IS MOVING. AN A ELAND GOOGLE AND MICROSOFT ARE ATTEMPTING TO CAPTURE MULTIPLE DIFFERENT DATA POINTS THROUGH TABLETS, THROUGH MOBILE DEVICES, THROUGH THE DESKTOP. AND ATTEMPTING TO -- DO

CONSUMERS KNOW ABOUT THE SCOPE THAT HAVE DATA COLLECTION SO THAT THEY'RE ABLE TO MAKE THE SORT OF CHOICES THAT SID TALKED ABOUT, THE INFORMED CHOICES AND THEY UNDERSTAND THE BARGAIN. THAT'S REALLY THE QUESTION. NO POSSIBILITY FOR CONSUMERS AND DESIGNERWARE TO MAKE THOSE CHOICES. IS THERE A POSSIBILITY FOR CONSUMERS TO MAKE THAT IN OTHER CONTEXT. I THINK STU TALKED ABOUT THE DAA ICON. THAT INVOLVED BECAUSE -- PEOPLE DID NOT UNDERSTAND ONLINE BEHAVIORAL ADVERTISING. IS THERE A SIMILAR ASYMMETRY IN CORPORATION DIFFERENT DATA POINTS.

>> I THINK THE QUESTION IS, TO WHAT EXTENT YOU WANT THE GOVERNMENT TO ENGAGE IN REGULATION OF DESIGN OF THESE PRODUCTS. WHAT I THINK I HEARD ALISSA SAY THAT SHE THINKS SHE SHOULD HAVE THE RIGHT TO USE FIREFOX IN A PARTICULAR MODE, I DON'T WANT TO PUT WORDS IN YOUR MOUTH, TRY GOGGLE. GOGGLE OBVIOUSLY OFFERS AN INTERESTING RANGE OF PRODUCTS WHERE THEY TRY TO INDUCE YOU PROVIDING IDENTITY. SHOULD WE REGULATE THAT. WHEN MY COMPUTER IS ON, GOOGLE HAS MY I'D TIE. WHY, BECAUSE I USE GOOGLE READER, RSS FEEDS THAT'S ONLY WAY TO MAKE THAT SYSTEM WORK. I ACCEPT WHAT GOES WITH THAT. I COULD OPT OUT OF THAT. SHOULD WE REQUIRE THEM TO

ORGANIZE SOMEHOW DIFFERENTLY.
THAT'S QUESTION WITH REGARD TO
REGULATION OR WHETHER YOU THINK
WE'RE GOING TO HAVE DOZEN
BROWSERS, THAT'S WHAT THE EU
THINKS IS OUT THERE, A DOZEN
BROWSERS WE'LL LET MARKET
CHOOSE.

>> I THINK 'SIS LA YOU WANTED TO
RESPOND?

>> I'LL GIVE YOU THE COUNTER
EXAMPLE WHICH IS MY FIX LINE
BROADBAND PROVIDER.
SHOULD I AB ABLE TO USE THE
INTERNET IN MY HOME OVER A FIXED
CONNECTION.
WITHOUT HAVING EVERY -- THE URL
OF EVERY WEBSITE THAT I VISIT
RETAINED INDEFINITELY.

>> WHAT IS YOUR NUMBER, THAT'S
MY QUESTION.
WHAT I MEAN BY THAT HOW MANY
COMPETITORS DO YOU THINK YOU
NEED TO HAVE IN THE MARKETPLACE
BEFORE YOU DECIDE YOU SAY IT'S
NOT AN ISSUEF 12 IS GOOD ON
BROWSERS AND TWO IS INSUFFICIENT
ON LAND LINE WHAT'S YOUR NUMBER?

>> THERE'S NO PROSPECT OFREACHING REASONABLE NUMBER IN
THE U.S. ANY TIME SOON.
IT'S GOOD THAT WE'RE HAVING THIS
CONVERSATION RIGHT NOW.

>> TURNING TO REALITY, ISB --

>> I DON'T KNOW WHAT THAT
MEANS.

>> JUST THE FACTS OF ISPs
RETENTION OF WEB LOGS, ISPs
HAVE KEPT WEB LOGS FOR MORE
THAN -- THE ISP INDUSTRY AROSE

AND HACKING THEN THEY HAVE THESE
PRESSURES FROM LAW ENFORCEMENT.
ON -- TO BE SHOT AT FROM BOTH
SIDES I GUESS MAY MEAN THAT
THEY'RE DOING THE RIGHT THING.
THIS IS NOT A SITUATION WHERE

FORM OF LENGTHY NOTICES JUST
TRIED TO CONTINUOUSLY ADAPT IT
TO THE MOBILE ENVIRONMENT EVEN A

COMPANIES CARE WHAT THEIR CUSTOMERS THINK.
PEOPLE SWITCH ISPs ALL THE TIME FOR REASONS OF PRICE, SPEED, ISPs.
EVEN WITH TWO, THIS IS NOT THE PLACE TO GET IN TO A DETAILED -- IT'S MORE COMPETITIVE THAN THAT.
IF THESE COMPANIES THEY CAN GET A COMPETITIVE -- THEY WOULD.
I THINK THE REASON THAT WE DON'T OBSERVE IT IS BECAUSE MOST OF THEIR CUSTOMERS JUST DON'T CARE THEY DON'T SEE ANY HARM IN WHAT IS GOING ON.

>> ISN'T THAT -- DOESN'T THAT GO BACK TO THE INFORMATION ASYMMETRY.
IF THEY'RE NOT AWARE OF WHAT IS GOING ON ARE THEY ABLE TO MAKE THE --

>> CONSUMERS ARE NOT GOING TO UNDERSTAND WHAT DAN WALLACH SAID.

I THINK CONSUMERS UNDERSTAND THE ROUGH BARGAIN THEY'RE MAKING

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ONE OF

ENROLLMENTS IN THE FTCs DO NOT
CALL DATABASE.

IF WE GIVE PEOPLE INFORMATION
AND ABILITY TO MAKE CHOICES I
THINK THEY'RE GOING TO RUN TO
THEM.

WHAT THIS DEBATE IS ABOUT IF YOU
REALLY DIG DEEPLY IS THE FEAR OF

THEM TO TAKE STRONG PRIVACY MEASURES.

I THINK WE'RE SEEING SIGNIFICANT CULTURE CHANGE ON THE INTERNET AND GREATER THOUGHT HOW INFORMATION IS BEING USED.

YES, YOU CAN POINT TO INCIDENTS LIKE THE PREGNANCY INCIDENT TO SHOW THAT COMPANIES ARE MAKING MISTAKES.

BUT THIS IS -- FIRST PARTY CONSTRAINTS HERE THAT THIS DISCUSSION REALLY NOT RECOGNIZED.

>> LET ME JUMP IN -- GO AHEAD, CHRIS.

>> WHY WAS IT A MISTAKE? WE HEARD FROM HOWARD BEALE, IS THAT KNOWING CAN'T BE THE HARM. WHAT WAS THE MISTAKE THAT TARGET ENGAGED IN BY KNOWING THAT THIS WOMAN WAS PREGNANT?

>> IT'S INFORMATION THAT ONE INFERS ABOUT PEOPLE'S HEALTH CONDITIONS, I THINK IN SOMEWHAT DIFFERENT CATEGORY THAN WHAT SOMEBODY IS WILLING TO PAY TO BUY A CAR. OR WHETHER THEY'RE LIKELY TO WANT A CAR.

>> I DIDN'T REALLY MEAN TO SAY THAT THESE BIG COMPANIES, THAT NOBODY CARES. I THINK THESE BIG COMPANIES CARE ABOUT THEIR CUSTOMERS AND CARE ABOUT THEIR REPUTATIONS IF THERE IS PRIVACY GLITCH THEY WANT TO AVOID IT.

>> LET'S TALK ABOUT THAT A BIT. BECAUSE THAT RAISES THE POINT OF TRANSACTION COSTS AND POTENTIAL

MARCEL IMBALANCE.
OBVIOUSLY THERE ARE CONSUMER
BENEFITS WITH BEING ABLE TO HAVE
YOUR SERVICES PROVIDED ACROSS
DIFFERENT DEVICES AND IN
DIFFERENT PLACES.
BUT DOES THAT ALSO NOT CREATE
TRANSITION COSTS IN TERMS OF
YOUR ABILITY TO SWITCH SERVICES.
DOES IT CREATE AN OPPORTUNITY
FOR LARGE FIRST PARTY TO PUSH
THE ENVELOPE TO INNOVATE, TO DO
THINGS LIKE THE TARGET SCENARIO
THAT IS PERHAPS IN A MURKY AREA
AND NOT RISK LOSING CUSTOMERS
BECAUSE THERE IS A LOCKED IN
EFFECT.

>> IF NOTICE AND CHOICE IS
OFFERED AND NOTICE IS REASONABLY
CLEAR SO CONSUMERS UNDERSTAND
THEN THERE IS NO ASYMMETRY OF
POWER AND USERS HAVE A CHOICE AS
TO WHAT IS OCCURRING.
ONE CAN GO TO OPT OUT CENTERS
AND OPT OUT, ONE CAN DECIDE
WHETHER OR NOT TO USE A SIGNED
IN -- TO SIGN IN ON GOGGLE HAVE
ALL ONE'S SURFING ARC AUTISTS BE
RUN THROUGH THE GOOGLE SIGN IN.
ONE CAN DECIDE WHETHER OR NOT TO
DOWNLOAD DIFFERENT APPS ON
DIFFERENT DEVICES.
THERE ARE SERIES OF CHOICES
AVAILABLE.
WE CAN TALK ABOUT INFORMATION
SHOULD BE CLEARER TO CONSUMERS
AND CHOICES TO OPT OUT SHOULD BE
CLEARER.
THE NOTION THERE IS A WORLD
WHERE CONSUMERS POWERFUL TODAY
MARKET POWER BY THESE PLAYERS
THAT ARE DIVERSE FILING AND
OFFERING DIFFERENT SERVICES TO
CONSUMERS ALSO USING DATA IN
ORDER TO INNOVATE MORE.

I THINK IS AN OVER

ADDRESSES OF YOUR FRIENDS OR
SUGGEST THAT YOU MOVE TO A
DIFFERENT SOCIAL NETWORKING SITE

HELPING TO SERVE YOU.
IS DATA BEING IDENTIFIED.
IS IT NOT BEING SHARED BROADLY,
IS IT BEING DELETED AFTER PERIOD
OF USE THAT'S WHY ALL OF THOSE

PAYMENT SYSTEM.

THAT ISSUE, THAT DEVELOPMENT
WILL CRYSTALLIZE A LOT OF WHAT
WE'VE TALKED ABOUT TODAY.

IN OTHER JURISDICTIONS, FINDING
BUYING TELECOMMUNICATION
COMPANIES TO BE PART OF THE GAME
OF MOBILE PAYMENTS.

AND TWO TRENDS ARE FORGING AS
LINK BETWEEN COMPETITION OR
ANTI-TRUST ISSUES, FIRST IS WHAT
WE'VE TALKED ABOUT ON THIS
PANEL.

ECONOMICS OF ONLINE ADVERTISING
WAY INTERNET GOODS AND SERVICES
ARE MONETIZED THEN SECONDLY, THE
RISE IN WHAT YOU CAN LARGELY
CALL INTERNET INTERMEDIARY,
SEARCH ENGINE, SOCIAL MEDIA
COMPANIES, ISPs USE OF
INFORMATION ABOUT CONSUMERS THAT

THEN USED TO GENERATE OFFERS,
DISCOUNTS, COUPON THAT KEEP YOU
COMING IN TO STARBUCKS.
IT'S THIS EASE OF COUPONING,
REDEEMING REWARDS THAT ARE
DRIVING ACCEPTANCE OF THIS BUT
ALSO REALLY RICH TERRAIN FOR
BEHAVIORAL ADVERTISING.

>> TOM?

>> I DON'T THINK -- I DON'T SEE
ANY RATIONAL TO HAVE SEPARATE
PRIVATE REGIME.
A FUNCTION OF THE LEGACY
REGULATORY SYSTEM THAT IS OUT OF
DATE MANY CHARACTERISTICS.
I DON'T THINK THAT NECESSARILY
IMPLIES THAT WE SHOULD HAVE
GENERAL PRIVACY LAW.

>> ANYONE ELSE WANT TO WEIGH IN
HERE?

>> THE INTERNET COMMERCE
COALITION INCLUDES BOTH E
COMMERCE COMPANIES THAT ARE NOT
ISPs, IT INCLUDES ADVERTISING
COMPANIES INCLUDES JOB SEARCH
SITES AND IT INCLUDES ISPs.
THAT INCLUDES NOT JUST ISPs
WHO ARE TELECO AND CABLE
OPERATORS BUT E-COMMERCE
COMPANIES.
THE REGULATORY SYSTEM IS OUT OF
DATE AND IDEALLY IF THERE IS A
CODE OF CONDUCT THAT'S
IMPLEMENTED IN THIS AREA IT
WOULD BE GREAT IF IT SUPERSEDED
EXISTING SEC MATERIAL REGULATION
BECAUSE IT DOESN'T MAKE SENSE TO
HAVE TWO DIFFERENT OVERLAYS OF
REQUIREMENTS THAT IN SOME CASES
CAN CONFLICT AT THE VERY LEAST
CAN BE CONFUSING.

>> SHOULD THERE BE OVERARCHING THEN PRIVACY LAW IF WE REMOVE THE SEC MATERIAL APPROACH DO REGULATORS AND LAWMAKERS -- I GUESS THE FCC ACKNOWLEDGING THAT NOT PARTICULARLY PRODUCTIVE FOR IT TO BE VERY ACTIVELY INVOLVED IN PRIVACY WHEN THE FTC IS LEADING AGENCY TO BE ENGAGED IN THIS ISSUE.

BUT IN TERMS OF WHETHER LEGISLATION -- DEPENDS WHAT IT SAYS RIGHT NOW LOOKING AT A CONGRESS IT APPEARS UNLIKELY THAT CONGRESS WILL MOVE A BASELINE PRIVACY LAW BUT AS WITH ALL PROPOSALS THERE CAN BE WAYS TO IMPROVE THE LAW JUST I'M NOT HOLDING MY BREATH FOR LEGISLATION TO PASS CONGRESS THAT WOULD SUPERSEDE THE EXISTING SECTORAL COMMUNICATIONS LAWS.

I THINK THAT IS PROBABLY A WAY

ESS II1(M

>> THIS IS ACTUALLY WHAT THE CONGRESS GAVE FTC. CONGRESS WAS WISE IN ITS GIFT IF YOU WILL -- CAN'T LEVY HUGE FINES AGAINST THESE COMPANIES. IT CAN NEGOTIATE AGREEMENTS THAT GET WORKED OUT, THAT DEALS WITH SOME OF THE DUE PROCESS CONCERNS BUT AT THE TURN OF THE CENTURY, THROUGHOUT THAT -- IT'S VERY DIFFICULT TO MOTIVATE CONGRESS TO PASS A SINGLE LAW TO DEAL WITH THESE DIFFERENT PREDATIONS.

>> YOU WOULD THINK THAT DEMOCRATIC THING WOULD BE FOR CONGRESS TO DO SOMETHING THAT'S WHERE DEMOCRACY SHOULD TAKE PLACE NOT JUST AT THE FTC.

>> SID, I WANT TO ASK YOU THIS QUESTION AS A WELL, YOU'RE IN THE TECH INNOVATION SPACE. YOU'RE ALL ABOUT TECHNOLOGICAL SOLUTIONS TO GIVE CONSUMERS CONTROL. AND YOU'RE WITH A COMPANY THAT IS COMPETING ON PRIVACY IN MANY RESPECTS. IS IT YOUR VIEW THAT THE THE COMPETITIVE EFFORTS TO PROVIDE CONSUMERS WITH PRIVACY ARE GOING -- ARE LIKELY TO PREVAIL AND ARE LIKELY TO BE SUFFICIENT OR DO YOU THINK THAT ADDITIONAL MEASURES MIGHT BE NECESSARY TO ADDRESS SOME OF THE ISSUES THAT HAVE BEEN TEED UP TODAY.

>> I WISH I HAD AN EASY ANSWER TO THAT QUESTION. I THINK THAT'S TOUGH. I THINK PEOPLE THAT KNOW BEST HOW TO OPTIMIZE, THE BALANCE BETWEEN PRIVACY AND

FUNCTIONALITY AND OF THINGS, ARE
THE PEOPLE MAKING THE THINGS.
THE PEOPLE IN KNOW RATING.
THE PEOPLE WHO BEST KNOW HOW TO
COMPETE FOR CONSUMERS' INTERESTS
ARE THE ONES IN THAT MARKETPLACE
COMPETING FOR IT.
AND CERTAIN EXTENT AS FAR AS
ONLINE GOES YOU CAN GO CROSS
SECTOR TO PEP PEOPLE PROTECT
THEIR PRIVACY.
IT GETS FUZZY BECAUSE WE CAN --
WE CAN MAKES WEB LESS ATTRACTIVE
THERE IS LESS INNOVATION.
THERE'S NO REAL EASY TECH
SOLUTION TO SAY, THIS IS GOING
TO SOLVE ITSELF.
AND I CAN'T PREDICT THE FUTURE,
I WISH I COULD, I REALLY DO, I'D
BE INVESTING HEAVILY RIGHT NOW.
I THINK THERE'S SOMETHING TO BE
SAID ABOUT COMPETITION IS
AFFECTING PRIVACY IN A POSITIVE
WAY.
SOME COMPANIES ARE COMPETING ON
PRIVACY, IT'S NOT ENOUGH.
TAKE IT AS A YOU WELL THAT'S
COMING FROM MOZILLA.
TECHNOLOGY CROSS SECTOR CAN HELP
OUT A BIT BUT I DON'T KNOW WHAT
WE NEED.

>> LET ME ASK YOU A DIFFERENT
QUESTION.
IN YOUR VIEW TO ENGAGE IN
ADDITIONAL INTEGRATED DATA
COLLECTION OR IS THERE STRONGER
INCENTIVE FOR COMPANIES TO
COMPETE ON PRIVACY.
JUST YOUR OUTLOOK ON THE LOAN.
WHERE IS THE INCENTIVE STRUCTURE
WHERE DO YOU SEE COMPANIES
MOVING.

>> THOSE ARE APPLES AND
ORANGES, RIGHT, COMPANIES ARE

GOING TO COMPETE ON PRIVACY IF
THEY WANT TO AND COLLECT DATA IF
THEY WANT TO USE THE DATA.

BETWEEN AN A ELAND GOOGLE.
VERY DIFFERENT INCENTIVE
STRUCTURE FOR COLLECTION OF
NOBODY AND TREATMENT OF
CONSUMERS.

WE RECENTLY HAD A SPEAKER AT
BERKELEY DISCUSS GOOGLE FROM THE
INDUSTRY, HE SAID, GOOGLE WANTS
INTERNET TO BE FREE SO IT CAN
TELL ADVERTISING.

WHICH I THOUGHT WAS ACTUALLY IS
A PRETTY PROFOUND POINT.

ONE OF THE POINTS I'VE MADE IN A
RECENT ARTICLE WITH JAN IS WE
NEED TO THINK ABOUT PAYING FOR

MORE ITEMS, MORE SERVICES, (R)15(E9AO)-4(H Td(O)1 4(A)4Tj EMC-1.15 <</MCH)10 PRO

AS MUCH AS YOU DO IF YOU'RE
COMPETING.
AND I THINK A LOT OF COMPANIES
ARE COMPETING ON TRUST NOW AND
PRIVACY IS PART OF THAT.
I DON'T KNOW HOW MUCH BUT I'D
LIKE TO SEE IT MORE.

>> WE ARE RUNNING OUT OF TIME.
I'M GOING TO GIVE EACH OF YOU AN
OPPORTUNITY, 30 SECONDS TO A
MINUTE TO WRAP UP YOUR THOUGHTS
ON THIS VERY BROAD TOPIC.
WE'LL JUST GO STRAIGHT DOWN THE
LINE.

>> I'VE BEEN HERE THE WHOLE DAY
ONE THING THAT STRUCK ME WAS HOW
DIFFERENT INDIVIDUALS'
ASSUMPTION ARE ABOUT THE
MARKETPLACE AND HOW THINGS WORK.
ON ONE HAND WE'RE SEEING SOME
ARGUMENTS THAT ARE VERY RATIONAL
WITH THE IDEA THAT WE'RE ALL
AUTONOMOUS INDIVIDUALS JUST
BEHAVING IN THE MARKET.
THAT WHAT APPEARS IS GOOD.
VERSUS PEOPLE WHO WANT TO LOOK
MORE AT THE ENVIRONMENT AND
STUDY HOW THE ENVIRONMENT SHAPES
OUR UNDERSTANDING OF
POSSIBILITIES HOW THE
ENVIRONMENT SHAPES OUR
DECISIONS.
I WAS AT A THE ZOO THE OTHER DAY
WITH MY TWO-YEAR-OLD AND WE SAW
SANTA CLAUS, MAYBE WE'LL GO TALK
TO SALT LAKE CITY, ASKED DO YOU
WANT FOR CHRISTMAS MY SON SAID,
GRILLED CHEESE.
WE WERE ACTUALLY IN A
RESTAURANT.
THERE IS -- I THINK THE CONTEXT
TOLD HIM TO ASK FOR THAT.

>> SOUNDS LIKE A GOOD DEAL FOR

MOM AND DAD.

>> THAT'S MY REACTION, TOO.

>> MY POINT IS IN THINKING ABOUT CONSUMERISM AND EXPECTATIONS WE DON'T KNOW ABOUT ALL THE POSSIBILITIES. THERE ARE VERY PRIVACY PROTECTIVE ALTERNATIVES BUSINESS MODELS TO THIS MASSIVE COLLECTION OF DATA BY THIRD PARTIES. BUT WE'RE TREATING THE CURRENT PATH AS THE ONLY ONE. WHEN I HEAR ABOUT ALL A THE RICHES AT A THE END OF THE OBA PATH I'M REMINDED OF THE MIRACLE OF INSTANT CREDIT. ALL THE PROMISES AND HOPE THAT WERE UNSUBSTANTIATED THERE.

>> I'VE BEEN SAYING IT'S AN INTERESTING DAY. WE SEEM TO HAVE SPENT MOST OF THE DAY ON THE FAILURE OF THE MARKETPLACE WHICH IS NOT MY AVERAGE DAY'S TAKE. THAT'S BEEN INTERESTING. I THINK IT'S IMPORTANT TO FOCUS ON POTENTIAL HARMS. I THINK IT'S IMPORTANT NOT TO LOSE THE EYE ON ALL THE BENEFITS THAT THE SYSTEM GENERATED FOR US. I DON'T THINK WE SHOULD TREAT THE GOVERNMENT AS BEING FREE. IT NEVER IS.

>> I'D CLOSE WITH POINT ON INTERSECT BETWEEN ANTI-TRUST AND PRIVACY. GIVING USERS BACK CONTROL OVER THEIR OWN INFORMATION AND PRESSING FOR THINGS SUCH AS GREATER USER CONTROL OVER IT,

THE RIGHT TO BE FORGOTTEN ON THE
INTERNET.

RIGHT TO ANONYMOUS ACCESS MORE
GENERALLY EMBEDDING ACCEPTED FIT
PRINCIPLES IN TO EMERGING
TECHNOLOGIES, PICKING UP ON WHAT
CHRIS SAID PERHAPS OPTIONS TO
PAY WITH MONEY OR PERSONAL
INFORMATION.

DOING THOSE THINGS MAY ACTUALLY
SERVE TO INCREASE COMPETITION

DAY.

I THINK THAT LOT OF SPEAK HE IS WERE VERY DIFFERENT POINTS OF VIEW ALL WELL EXPRESSED. IN TERMS OF AN ACTION ITEM I CONTINUE EDUCATION AND TO LOOK AT BARRING CERTAIN USES IF THEY'RE NOT ADD AEQUATLY BARRED BY SELF REGULATORY FRAME WORKS TODAY. I'LL CONCLUDE WITH THAT.

>> THE FIRST IS THAT THINK REFLECTING EVERYBODY WAS THAT NOT REALLY PRIVACY FRAMEWORK THAT I KNOW OF OR ANY PARTICULAR REGIME AND ANY SECTOR THAT ALLOWS FOR UNJUSTIFIED, UNEXPLAINED LIMITLESS COLLECTION AND INDEFINITE RETENTION. I DO THIS THERE IS SOMETHING TO BE SAID FOR THE FACT THAT HISTORICALLY THAT FRAMING HAS BEEN ACCEPTED AS A RISK. AND A REASON TO TRY AND BUILD IN SOME LIMITS. SO I THINK THAT'S AN ACCEPTABLE FRAMING FOR THIS CONVERSATION. THE SECOND POINT IS THAT GETTING TO TOPIC THAT WAS RAISED EARLIER TODAY WHICH IS ABOUT TECHNOLOGY AND NEUTRALITY I THINK WE HEARD A LOT, DPI AND WE DIDN'T HEAR VERY MUCH AT ALL ABOUT CONTENT DELIVERY NETWORKS OR ANYONE WHO OPERATES DOMAIN NAME SERVER OR ANYONE WHO OPERATES A WEB PROXY AND THERE'S ALL KINDS OF TECHNOLOGIES THAT CAN BE USED FOR ESSENTIALLY VERY SIMILAR PURPOSES NOT JUST ON SECTOR BY SECTOR WHAT CAN A NETWORK OPERATOR USE, OPERATING SYSTEM USE WHAT CAN DEVICE -- WE SHOULD STAY AWAY FROM TRYING TO EVALUATE THESE PRACTICES ON THE

BASIS OF WHICH TECHNOLOGIES IS BEING USED IN PART BECAUSE I THINK DPI DOES HAVE A BAD NAME NOW NOR VARIOUS REASONS AND ONE THING THAT ENCOURAGES IS COMPANIES TO CALL WHAT THEY'RE DOING SOMETHING ELSE. SO THAT IT DOESN'T ATTRACT THE ATTENTION THAT DPI WOULD ATTRACT. I'M NOT SAYING THAT'S HAPPENING. BUT CERTAINLY SOMETHING THAT DOES HAPPEN I THINK EXTREME CAUTION NECESSARY ON TRYING TO BE TECHNOLOGY SPECIFIC.

>> DON'T BEAT A DEAD HORSE IS THE OTHER RULE.

>> I WOULD LIKE TO JUST RETURN BRIEFLY TO THE COMPETITION ISSUE WHICH IS OBVIOUSLY IMPORTANT TO THE FTC AN I DON'T THINK PROBABLY HAS BEEN DISCUSSED ENOUGH TODAY. WHEN -- IF YOU LOOK AT SOMEHOW APPLYING SPECIAL RULES TO A SUBSET OF ENTITIES, HOWEVER IT'S DEFINED BUILT WHO ARE PRESUMABLY ALL MAJOR PLAYERS IN THE INTERNET ECO SYSTEM. I DON'T THINK WE WANT TO MAKE MORE DIFFICULT OR PERHAPS EVEN IMPOSSIBLE FOR THOSE ENTITIES TO USE INFORMATION IN ORDER TO INNOVATE AND COMPETE AND PARTICULARLY COMPETE IN AREAS LIKE ONLINE ADVERTISING. SEEMS TO ME YOU WANT ALL THESE COMPANIES TO BE COMPETING WITH EACH OTHER.

>> THIS IS DANGEROUS GIVING THE COMPUTER SCIENTIST THE LAST WORD. AND SECOND TO -- THIRD TO LAST

WORD.

THIS HAS BEEN REALLY INTERESTING DAY FOR ME.

I'VE LEARNED A LOT, I LEARN A LOT EVERY TIME I ATTEND ONE OF THESE.

WHAT I'M TAKING AWAY FROM IT IS THAT FIRST PROBLEM WE SHOULD SOLVE IS THIS GAP BETWEEN WHAT PEOPLE THINK IS GOING ONLINE AND WHAT'S ACTUALLY HAPPENING. BECAUSE WE NEED TO GET CONSUMERS BACK IN TO THE PICTURE AND CONNECTED WITH WHAT IS GOING ON SO THAT THEY CAN VOICE THEIR CONCERNS.

AFTER ALL THAT'S WHAT WE NEED TO DEAL WITH, RIGHT? THEIR CONCERNS.

AND IN FACT THERE'S NO WEB WITHOUT THEM, THERE'S NOTHING EXCEPT BUNCH OF COMPANIES TRYING TO SELL TO EACH OTHER.

WE NEED THOSE INDIVIDUALS TO PARTICIPATE, WE NEED THEIR TRUST FOR INNOVATION AND FOR ACCURATE EVERYTHING ONLINE.

THERE'S NO SILVER BULLET YET TO MAKE THIS HAPPEN.

WE NEED TO WORK ON THAT.

ULTIMATELY LIKE LISA SAID, FIRST STEP IS GIVING CONSUMERS BACK CONTROL OVER THEIR DATA.

THE INTERNET IS COMPLEX.

THIS COMPREHENSIVE DATA COLLECTION PROBLEM IS NOT TRIVIAL, NOT IN THE LEAST, THAT'S WHY WE'RE SPENDING SO MUCH TIME ON THIS.

THAT'S WHY WE'RE HERE TODAY WE NEED MORE DATA TO FIGURE IT OUT.

>> THANKS.

I WANT TO THANK EVERYONE.

I HOPE THAT PEOPLE DID NOT APPROACH THIS THIRD PANEL WITH

THE EXPECTATION THAT WE WERE
GOING TO RESOLVE BY CONSENSUS
THE PROBLEMS OF EITHER
COMPREHENSIVE DATA COLLECTION OR
A LOT OF DATA COLLECTION.
BUT HOPEFULLY WE DID EXPLORE
SOME OF THE ISSUES IN ENOUGH
DETAIL AND I DO EXPECT WE'LL BE
ELICITING COMMENTS.
THERE MAY BE CONSENSUS IS ISSUE
OF PROHIBITED USES, THERE SEEMS
TO BE SOME CONSENSUS THAT THERE
ARE SOME USES THAT OUGHT TO BE
PROHIBITED.

THE COMPANIES TO SPEAK TODAY WHO
HAVE CAPABILITY TO ENGAGE IN
ONLINE COMPREHENSIVE DATA
COLLECTION.
MANY DECLINED TO PARTICIPATE.
BUT WE DO WANT TO HEAR FROM YOU
WE'RE GOING TO KEEP THE RECORD

THERE ARE NUMEROUS BENEFITS OF TRACKING.

WE HEARD A LOT TODAY, GOOGLE ANTICIPATING FLU TRENDS, CITIES USING TRAFFIC FLOW DATA TO FIGURE OUT WHERE TO PUT TRAFFIC LIGHTS.

WE HEARD THAT PEOPLE CAN GET MORE ACCURATE PERFORMANCE INFORMATION AND OF COURSE WE HEARD ABOUT THE FREE CONTHEN ADVERTISING FUELS.

THIRD CONSENSUS POINT, ALONG WITH THE BENEFITS THERE ARE ALSO RISKS TO COMPREHENSIVE TRACKING. THIS IS WHERE I'M GOING OUT ON A LIMB.

I HEARD FROM HOWARD BEALES NOT ONLY POTENTIAL -- FINANCIAL PHYSICAL HARMS ARE NOT NECESSARILY ONLY HARMS THAT WE MIGHT WANT TO CONSIDER LOOKING AT THIS AREA.

THERE'S ALSO REPUTATION FALL HARM.

WE HEARD PORN HOTEL EXAMPLE, WE HEARD LOT OF OTHER EXAMPLES OF REP COMPUTATIONAL HARM.

WE HEARD LOT ABOUT FACT THAT
COMPETITION ON PRIVACY SHOULD BE
A GOAL, MAYBE WE'RE NOT THERE
YET.

BUT THAT'S SOMETHING THAT WE
SHOULD BE STRIVING FOR.

ENCLOSING I THINK MOST IMPORTANT
PART OF WHAT I WANTED TO DO AND
MY CLOSING REMARKS IS THANK THE
FTC STAFF WHO MADE THIS WORKSHOP
SUCH A SUCCESS, I WANT TO START
CAN DAVID WHO IS IN THE CORNER
THERE WHO SPEARHEADED THIS WHOLE
WORKSHOP.

[APPLAUSE]

ALONG WITH KATIE, CANDY, PAUL,
CHRIS, DOUG, CHERYL.

ALSO THANKS TO SAMANTHA, T.J.,
WAYNE, OUR PARA HEELS AND MEDIA
TEAM.

THANK YOU AGAIN FOR COMING.