

**Data Brokers: A Call for Transparency and Accountability**  
**Opening Remarks of Chairwoman Edith Ramirez**  
**Washington, DC**  
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Today the Federal Trade Commission is releasing the results of a study of the data broker industry. The report we are issuing, *Data Brokers: A Call for Transparency and Accountability*, explores how data brok

Notwithstanding these benefits, we have concluded that there are serious privacy concerns with the data broker practices we examined. I will highlight three of them.

First is a concern about the sheer breadth and complexity of the data broker industry and its practices. Data brokers collect and store *billions* of data points

cut off from being offered the same goods and services, at the same prices, as our neighbors? Will these classifications mean that some consumers will only be shown advertisements for subprime loans while others will see ads for credit cards? Will some be routinely shunted to inferior customer service? Will consumers not mind if they are placed in a category called “Diabetes Interest,” if it means they’ll get coupons for sugar-free products? But many would undoubtedly mind if an insurance company used that same category to classify them as a high risk.

Another concern is that a cell phone company may not let me get a cell phone contract because a data broker product suggests I’m an identity thief. If this is a mistake, I may have no way to learn about the source of the problem, let alone fix any incorrect information.

The Commission proposes legislation to address the lack of visibility into data broker practices and to give consumers much-needed control over their information. For example, the Commission advocates that Congress consider requiring that the largest data brokers create a centralized portal where consumers could easily go to link through to the sites of individual brokers. There, consumers could see what information brokers have about them and could choose to opt out of having it used in the future.

The Commission also concludes that retailers and other businesses should be required to clearly notify consumers that the information they are handing over will be shared with data brokers, and to give consumers a chance to say “no.” And if the information at stake is sensitive, such as certain health information, then consumers should have to give their express affirmative consent before the information is shared with a broker. The Commission also proposes that when consumers are limited in their ability to complete a transaction because a data broker’s

product has flagged them as a potential fraudster, they be given the ability to make appropriate corrections.

These legislative recommendations would help inject a degree of transparency, access, and consumer control that is greatly lacking today in the data broker industry.

Thank you for your attention. Before we move to your questions, I'd like to thank the team from the FTC's Division of Privacy and Identity Protection that worked so hard on this report – Tiffany George, Katherine Armstrong, Andrea Arias, Monique Einhorn, and Chris Olsen. I'd also like to introduce Maneesha Mithal, the Associate Director of the Division of Privacy and Identity Protection, and Tiffany George, a senior lawyer in our privacy division who is one of the principal authors of the FTC report. We are happy to answer any questions you may have.