

**ASSOCIATION OF NATIONAL ADVERTISERS  
ADVERTISING LAW & PUBLIC POLICY CONFERENCE  
The Four Seasons, Washington D.C.  
March 31, 2015  
Remarks of Commissioner Terrell McSweeney<sup>1</sup>**

Thank you, Dan Jaffe, for that kind introduction, and thanks very much to you and the ANA for inviting me to be here today.

I am the newest Commissioner at the FTC – I’m just finishing up my first year on the job. I’m pleased to have spent much of my first year helping the Commission celebrate its 100<sup>th</sup> anniversary.

As you can imagine, we’ve spent some time reflecting on how the FTC’s dual mission of protection consumers and competition has evolved. The FTC Act, of course, gives the agency a clear but flexible mandate – to protect consumers from unfair and deceptive acts and practices. One of the defining features of the modern FTC has been its ability to adapt to our dynamic economy – for instance, protecting consumers not just in the world of brick and mortar transactions, but also as they purchase goods and services online.

Even though technology and business models continue to change, the principles that underlie FTC enforcement priorities are constant. They are that consumers should have truthful and adequate information to make informed decisions, and that they should be protected from harmful practices that they cannot reasonably avoid.

Today I’m going to talk about how the FTC’s work continues to apply these core ideas to protect consumers in our social-networked, always-connected, and on-

There's nothing wrong with an advertising agency singing a product's praises – after all, that's exactly what they are hired to do. But the problem here was that the Deutsch employees sent tweets from their personal Twitter accounts, without making any disclosure that they were employed by the agency hired to promote the PS Vita console. Consumers who saw the #GAMECHANGER tweets would have believed that they were the views of ordinary, unbiased purchasers, and that was deceptive.

Another recent FTC case

While the Commission recognizes the enormous potential benefit that health-related apps

Commission's authority over non-profits and common carriers, and granting the Commission the ability to seek civil penalties.

In my view, there are ways it could be stronger – for example, broadening the definition of personal information to include geolocation and health information, and achieving the appropriate balance on when breach notification requirements are triggered.

I want to emphasize that FTC data security enforcement is grounded in the concept of reasonable security – not perfect security. I am pleased that the FTC plans to continue to engage through our start-with-security initiative in a dialogue around the country with small and large businesses about the best practices when it comes to security.

I recognize that not everyone may share my view about the proper role of the FTC in protecting consumer privacy and data security. But what I want to emphasize is that the FTC is committed to working with Congress, industry, and other stakeholders to continually examine privacy and security issues and develop pragmatic approaches that will best protect consumers. That's not just lip service; the FTC does respond to concerns raised in the marketplace.

I will conclude my remarks today by pointing out a recent FTC case that arose after concerns were raised about privateering activities by patent assertion entities.

The FTC recently finalized a settlement with MPHJ, a patent assertion entity, and its law firm. This case marks the first time the Commission has used its Section 5 deception authority against a patent assertion entity ("PAE").

I also find informal engagement to be tremendously valuable. We are better law enforcers and policymakers when we understand how your business models work, what is feasible for you, and at what cost.

With that, I'm happy to take some questions.