

**UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION**

COMMISSIONERS: **Jon Leibowitz, Chairman**
 J. Thomas Rosch
 Edith Ramirez
 Julie Brill
 Maureen K. Ohlhausen

File No. P125404

ORDER TO FILE SPECIAL REPORT

Pursuant to a resolution of the Federal Trade Commission (“FTC” or “the Commission”) dated December 14, 2012, titled “Resolution Directing Use of Compulsory Process to Collect Information Regarding Data Brokers,” a copy of which is enclosed, **[COMPANY NAME]**, hereinafter referred to as the “Company,” is ordered to file with the Commission, no later than **February 1, 2013**, a Special Report containing the information and documents specified herein.

The information provided in the Special Report will assist the Commission in compiling a study of data broker industry information collection and use activities.

The Special Report must restate each item of this Order with which the corresponding answer is identified. Your report is required to be subscribed and sworn by an official of the Company who has prepared or supervised the preparation of the report from books, records, correspondence, and other data and material in your possession. If any question cannot be answered fully, give the information that is available and explain in what respects and why the answer is incomplete. The Special Report and all accompanying documentary responses must be Bates-stamped.

Confidential or privileged commercial or financial information will be reported by the Commission on an aggregate or anonymous basis, consistent with Sections 6(f) and 21(d) of the FTC Act. Individual submissions responsive to this Order that are marked “confidential” will not be disclosed without first giving the Company ten (10) days notice of the Commission’s intention to do so, except as provided in Sections 6(f) and 21 of the FTC Act.

Specifications

Please provide the following information, documents and items, consistent with the definitions, instructions, and formatting requirements contained in Attachment A:

1. **Identification of Report Author:** Identify by full name, business address, telephone number, and official capacity the person(s) who has prepared or supervised the preparation of the Company's response to this Order and describe in detail the steps taken by the Company to respond to this Order. For instructions pertaining to document (written and electronic) and information preservation, identify the person who gave the instructions, describe the content of any oral instructions, provide copies of any written or electronic instructions, and identify the person(s) to whom the instructions were given. For each specification, identify the individual(s) who assisted in preparation of the response. Provide a list of the persons (identified by name and corporate title or job description) whose files were searched and identify the person who conducted the search.

2. **Company Information:**
 - A. State the Company's complete legal name and all other names under which it has done business, its corporate mailing address, all addresses from which it does or has done business, and the dates and states of its incorporation.

 - B. Describe the Company's corporate structure, and state the names of all parents, subsidiaries (whether wholly or partially owned), divisions (whether incorporated or not), affiliates, branches, joint ventures, franchises, operations under assumed names, websites, and entities over which it exercises supervision or control. For each such entity, describe the nature of its relationship to the Company.

 - C. Identify each individual or entity having an ownership interest in the Company, as well as their individual ownership stakes and their positions and responsibilities within the Company.

3. **Products and Services:**
 - A. Provide a list and description as to the nature and purpose of all the products and services (both online and offline) that the Company offers or sells that use personal data. Include a separate description of each product or service identified; and for each product or service, describe with specificity each type of personal data that is used in or by the product or service; and identify and describe with specificity:

- (1) the source(s) of each such type of personal data, including whether the source is a government agency or office;
- (2) the procedures or means by which each such type of personal data is collected, generated, or derived, including, but not limited to, cookies, a user's direct textual input, a user's behavior on the Company's website, a user's behavior on other websites, social media, a user's mobile use and activity, or other online or offline sources;
- (3) for each such type of personal data, whether the Company acquires the consent, permission, or approval of consumers before obtaining, collecting, generating, deriving, disseminating, storing, or causing to be stored the personal data of said consumers. As part of your response, describe in detail how the Company obtains the consent, permission, or approval of said consumers;
- (4) the frequency with which each such type of personal data is updated;
- (5) the extent to which and reasons why the availability of each such type of personal data differs depending upon the purchaser;
- (6) whether the Company provides each such type of personal data to users in the form in which it is acquired or whether the Company changes the form or content of such type of personal data in any way, and for the latter describe each and every way in which the Company changes the form or content of each such type of personal data and the methodology employed to effect such change;
- (7) whether each such type of personal data is aggregated, anonymized, or de-identified and describe the process used to do so;
- (8) whether each such type of personal data includes information from or about children or teenagers. As part of your response, describe in detail whether the Company distinguishes personal data about children ages 12 and under from personal data about teenagers ages 13 through 17 and how the collection and provision of this data differs.

- B. State whether the Company monitors, audits, or evaluates the accuracy of personal data contained in each product or service identified in response to 3.A. If it does, provide a step-by-step explanation of how the Company monitors, audits, or evaluates the accuracy of such personal data, and describe the results from the Company's audits, evaluations, and monitoring efforts, including the accuracy rates for the personal data contained in each product or service. As part of your response, describe in detail:
- (1) the Company's policies, practices, and procedures relating to the monitoring, auditing, or evaluation of the accuracy of personal data contained in each product or service;
 - (2) the Company's search and retrieval logic for matching its records with particular consumers; and
 - (3) the Company's matching logic (i.e., evaluations regarding the effectiveness of the information submitted by clients and/or used by the Company about consumers in retrieving results related to the correct consumer);
- C. For each product or service identified in response to 3.A., indicate (1) the number of such products or services sold annually, and (2) the Company's annual gross revenues attributable to each such product or service.

4. Other Collection of Data:

- A. Identify each type of personal data the Company has obtained, collected, generated, derived, disseminated, stored, or caused to be stored that is not currently used in or by a product or service identified in your response to 3.A., and describe with specificity:
- (1) the reason(s) why each such type of personal data is not currently used in or by a product or service and any plans for future use;
 - (2) for each such type of personal data that was previously used in a product or service, identify (i) the name of the product(s) or service(s) that used the personal data, (ii) the number of such products or services sold annually, (iii) the Company's annual gross revenues attributable to each such product or service, (iv) the types of customers (e.g., individual consumers, retailers, ad networks, etc.) to which the Company provided each product or service, (v) the percentage of the product's or service's revenue contributed by each type of customer, and (vi) the names and contact information of the product's or service's 25 largest

customers (25 entities who purchased the greatest unit and dollar amounts of each product or service) for each type of customer except individual consumers;

- (3) the source of each such type of personal data, including whether the source is a government agency or office;
- (4) the procedures or means by which each such type of personal data is or was collected, generated, or derived, including, but not limited to, cookies, a user's direct textual input, a user's behavior on the Company's website, a user's behavior on other websites, social media, a user's mobile use and activity, or other online or offline sources;
- (5) for each such type of personal data, whether the Company acquires or acquired the consent, permission, or approval of consumers before obtaining, collecting, generating, deriving, disseminating, storing, or causing to be stored the data of said consumers. As part of your response, describe in detail how the Company obtains the consent, permission, or approval of said consumers;
- (6) the frequency in which each such type of personal data is or was updated;
- (7) the extent to which and reasons why the availability of each such type of personal data differs or differed depending upon the purchaser;
- (8) each specific purpose or manner in which the Company anticipates or anticipated that each such type of personal data would or could be used by its users or customers and any limitations the Company places or placed on the use of each such type of personal data;
- (9) whether the Company provides or provided each such type of personal data to users in the form in which it is acquired or whether the Company changes or changed the form or content of such type of personal data in any way, and for the latter describe each and every way in which the Company changes or changed the form or content of each such type of personal data and the methodology employed to effect such change;
- (10) whether each such type of personal data is or was aggregated, anonymized, or de-identified and describe the process used to do so;

(11) whether each such type of personal data includes or included information from or about children or teenagers. As part of your response, describe in detail whether the Company distinguishes or distinguished personal data about children ages 12 and under from personal data about teenagers ages 13 through 17 and how the collection and provision of this data differs or differed.

B. State whether the Company monitors, audits, or evaluates the accuracy of personal data contained in each product or service identified in response to 4.A., either presently or previously. If it does, provide a step-by-step explanation of how the Company monitors, audits, or evaluates the accuracy of such personal data, and describe the results from the Company's audits, evaluations, and monitoring efforts, including the accuracy rates for the personal data contained in each product or service. As part of your response, describe in detail:

- (1) the Company's policies, practices, and procedures relating to the monitoring, auditing, or evaluation of the accuracy of personal data contained in each product or service;
- (2) the Company's search and retrieval logic for matching its records with particular consumers; and
- (3) the Company's matching logic (i.e., evaluations regarding the effectiveness of the information submitted by clients and/or used by the Company about consumers in retrieving results related to the correct consumer);

5. **Customers:**

A. For each product or service identified in your response to 3.A., identify the types of customers (e.g., individual consumers, retailers, ad networks, etc.) to which the Company provides each product or service, the percentage of the product's or service's revenue contributed by each type of customer, and the names and contact information of the product's or service's 25 largest customers (25 entities who purchased the greatest unit and dollar amounts of each product or service) for each type of customer except individual consumers. As part of your response, describe in detail:

- (1) the method(s) by which the Company provides each product or service;
- (2) the fees associated with each product or service;
- (3) a step-by-step explanation of how the Company's customers access

the Company's products and services and the flow of personal data from the initial request made to the Company to the furnishing of personal data to the customer;

- (4) all of the purposes, and how the Company determines the purposes, for which the Company's customers use personal data provided by the Company, including but not limited to marketing, background screening, resale, or fraud detection purposes;
 - (5) how the Company evaluates its customers (e.g., whether the Company evaluates whether a customer is a legitimate business entity and its data security measures) at the time of purchase; and
 - (6) whether the Company reviews, monitors, audits, or evaluates how its customers use personal data post-purchase and the nature, timing, results, and actions taken as the result of these reviews, audits, or evaluations.
- B. For each product or service identified in your response to 3.A., describe in detail any prohibitions or restrictions (e.g., contractual, technological) the Company communicates or enforces against its customers on the sale or use of such product or service. As part of your response, explain:
- (1) whether the Company's contracts, agreements, and terms and conditions of use between the Company and any user of any of the Company's products or services enumerate such prohibitions and restrictions. Provide contracts, agreements, and terms and conditions of use for the Company's three largest customers for each type of customer identified in your response to 5.A. and four other examples representing the range of contracts, agreements, and terms and conditions of use for each type of customer identified in your response to 5.A.;
 - (2) how the Company monitors compliance with such prohibitions or restrictions; and
 - (3) whether the Company has ever taken any action against a customer to enforce such prohibitions or restrictions and, if so, a description of those actions.

6. **Consumers:**

- A. State whether consumers are able to access personal data about them that is held by the Company. If consumers are not able to access their personal data, state the Company's rationale for not providing such access. If consumers are able to access their personal data, describe in detail how consumers access this personal data, including but not limited to:
- (1) a step-by-step explanation of how consumers access such personal data;
 - (2) the types of personal data that consumers can and cannot access;
 - (3) the terms and conditions for accessing personal data, including any limitations on the frequency of access;
 - (4) how the Company notifies consumers of their right to access this personal data and the contents of the notice;
 - (5) the types of personal information consumers are required to provide to verify their identities prior to accessing their personal data, and how the Company utilizes this verification information;
 - (6) the number of consumers that have requested access to their personal data on an annual basis and the Company's response by category (i.e., number of consumers provided access, number of consumers denied access, reasons for denial, etc.);
 - (7) the date on which the Company first began to give consumers access to personal data; and
 - (8) the average and maximum length of time before an access request is implemented, and the factors that determine the length of time before access is provided.
- B. State whether consumers are able to correct personal data that is held by the Company. If consumers are not able to correct their personal data, state the Company's rationale for not allowing such corrections. If consumers are able to correct their personal data, describe in detail how consumers correct their personal data, including but not limited to:
- (1) a step-by-step explanation of how consumers correct such personal data;
 - (2) the types of personal data that consumers can and cannot correct;

- (3) the terms and conditions for correcting personal data, including the Company's efforts to prevent the reappearance of inaccurate data;
 - (4) how the Company notifies consumers of their right to correct this personal data and the contents of the notice;
 - (5) the types of personal information consumers are required to provide to verify their identities before correcting their personal data, and how the Company utilizes this verification information;
 - (6) the number of consumers that have requested a correction to their personal data on an annual basis and the Company's response by category (i.e., number of corrections, number not corrected, reasons for not correcting, etc.);
 - (7) the date on which the Company first began to give consumers the ability to correct their personal data; and
 - (8) the average and maximum length of time before a correction request is implemented, and the factors that determine the length of time before the correction takes effect.
- C. State whether consumers are able to opt out of the collection, use, or sharing of their personal data. If consumers are not able to opt out, state the Company's rationale for not allowing consumers to opt out. If consumers are able to opt out, describe in detail the Company's opt out procedures, including but not limited to:
- (1) a step-by-step explanation of how consumers opt out;
 - (2) the specific products, services, or search results to which the opt out applies and does not apply;
 - (3) the terms and conditions for opting out;
 - (4) the technologies utilized to effectuate the opt out;
 - (5) how the Company notifies consumers of their right to opt out and the contents of the notice;
 - (6) the types of personal information consumers are required to provide to verify their identities before opting out, and how the Company utilizes this verification information;

- (7) the number of consumers that have requested to opt out on an annual basis and the Company's response by category (i.e., number of opt outs provided, number of opt outs denied, reasons for denial, etc.);
 - (8) the date on which the Company first began to give consumers the ability to opt out; and
 - (9) the average and maximum length of time before an opt out request is implemented, the factors that determine the length of time before the opt out takes effect, and the period of time the opt out remains in effect.
- D. State whether consumers are able to have the Company delete their personal data from the Company's database(s). If consumers are not able to delete their personal data, state the Company's rationale for not allowing such deletions. If consumers are able to delete their personal data, describe in detail how consumers delete their personal data, including but not limited to:
- (1) a step-by-step explanation of how consumers delete such personal data;
 - (2) the types of personal data that consumers can and cannot delete;
 - (3) the terms and conditions for deleting personal data, including the Company's efforts to prevent reinsertion of the data;
 - (4) how the Company notifies consumers of their right to delete this personal data and the contents of the notice;
 - (5) the types of personal information consumers are required to provide to verify their identities before deleting their personal data, and how the Company utilizes this verification information;
 - (6) the number of consumers that have requested to delete their personal data on an annual basis and the Company's response by category (i.e., number of deletions provided, number of deletions denied, reasons for denial, etc.);
 - (7) the date on which the Company first began to give consumers the ability to delete their personal data; and
 - (8) the average and maximum length of time before a deletion request is implemented, and the factors that determine the length of time before the deletion takes effect.

- E. State whether the Company charges consumers a fee for accessing, correcting, opting out, or deleting their personal data from the Company's database(s). As part of your response, describe in detail:
 - (1) the amount the Company charges consumers to access, correct, delete, or opt out; and
 - (2) the total revenue earned annually by the Company through such fees.
- F. In your responses to 6.A-E., describe each and every way in which the Company's procedures relating to children and teenagers is different from the Company's procedures relating to adults.

7. Policies:

- A. State the methods by which the Company provides notice to consumers about the Company's personal data collection, use, or sharing practices. Provide representative samples of any notices or disclosures provided to consumers in connection with the products and services identified in response to 3.A.
- B. State whether the Company has (or had) any written policies or statements regarding the collection, disclosure, and use of personal data, including any policies and statements relating to the privacy or security of such data. Provide a copy of each such policy or statement, indicating for each the date on which it became effective and, if applicable, all means by which it was distributed or made available. If the policies changed at any time, please so state and describe the nature of the change and its effective time period.
- C. Identify the names and titles of the individuals at the Company who are responsible for developing and implementing any policies described in your responses to each specification.

8. Promotional Materials and Advertisements:

- A. Provide representative samples of each type of advertisement or promotional material the Company has disseminated referring or relating to the products and services identified in response to 3.A. or the personal data identified in response to 4.A., including but not limited to websites, emails, advertisements, and brochures. For each advertisement or promotional material provided, state the beginning and ending dates of dissemination, and the dates, times, and locations the ads were disseminated. For print ads and press releases, identify every publication, date, and community for dissemination; for Internet ads, identify every URL, date, and number of

hits or visits; for all other materials, provide sufficient information to permit a determination of how many items were disseminated, and when, where, and to whom such items were disseminated.

- B. For each product or service identified in response to 3.A. and each item of personal data identified in response to 4.A., identify any keywords, terms, phrases, or other criteria that the Company has used to effect the placement or delivery of any advertisement or sponsored link in connection with any online advertising network or advertisement delivery or contextual marketing software or system, including but not limited to the placement or delivery of any advertisement or sponsored link in search results generated by any Internet search engine.

9. **Complaints/Inquiries:**

- A. State the number of complaints or disputes related to data collection, use, aggregation, or display the Company has received on an annual basis. Describe in detail the Company's process for recording consumer complaints or disputes related to data collection, use, aggregation, or display, including, but not limited to, any categorization of the complaints or disputes and the Company's response to the complaints or disputes. Provide copies of all documentation of complaints or disputes and the Company's response.
- B. State whether the Company has been the subject of any government or regulatory inquiry or private action. Identify each such inquiry or action and describe the nature of the inquiry or action, the practices investigated or at issue, the violations of law investigated or alleged, and the status or outcome of the inquiry or action. For government or regulatory inquiries, identify the agency or entity conducting the inquiry and the name and contact information for the Company's contact person at such agency or entity. For each private action, identify the court in which the action was filed, the date it was filed, and its docket number.

The Special Report responses called for in this Order are to be filed no later than **February 1, 2013**.

All responses for all Specifications must be provided in narrative form in two (2) printed copies and in electronic form (by CD or as email attachments), formatted as Word or WordPerfect documents. In addition, electronic responses to Specifications 3-6 must also be provided on the Excel spreadsheets included as Attachments B, C, and D to this Order.¹ Documentary responses

¹An electronic version of the Excel spreadsheets for Attachments B, C, and D are provided on the included CD. The company must use Attachments B, C, and D to report

must be formatted as Adobe Acrobat documents. All responses must be labeled to indicate the Specification to which the information or data responds. All files contained in electronic submissions must have a file name that includes the company name, Specification numbers included in the file, and date of the submission, in the following format: [COMPANYNAME]_Spec._[SPEC. #'S]_[MM-DD-YY].

Penalties may be imposed under applicable provisions of federal law for failure to file Special Reports or for filing false reports.

By the Commission.

Jon Leibowitz
Chairman

SEAL

Date of Order: December 14, 2012

The Special Report required by this Order, or any inquiry concerning it, should be addressed to the attention of:

Peder Magee
Federal Trade Commission
Division of Privacy and Identity Protection
601 New Jersey Avenue, N.W., NJ-8100
Washington, D.C. 20580
(202) 326-3538 phone
(202) 326-3062 facsimile
pmagee@ftc.gov

or

Tiffany George
Federal Trade Commission
Division of Privacy and Identity Protection
601 New Jersey Avenue, N.W., NJ-8100
Washington, D.C. 20580
(202) 326-3040 phone
(202) 326-3062 facsimile
tgeorge@ftc.gov

activities and must not modify, delete, or add to the columns on the spreadsheet. The company must submit the spreadsheets in Excel in a format that is readable and writable and must not include footnotes or endnotes on the spreadsheet.

Attachment A

DEFINITIONS & ADDITIONAL INSTRUCTIONS

A. **“Advertisement”** or **“advertising”** or **“ad”** or **“promotional material”** shall mean any written or verbal statement, illustration, or depiction, whether in English or any other language, that is designed to effect a sale or create interest in the purchasing of goods or services, whether it appears on or in a label, package, package insert, radio, television, cable television, brochure, newspaper, magazine, pamphlet, leaflet, circular, mailer, book insert, free standing insert, letter, catalogue, poster, chart, billboard, public transit card, point of purchase display, film, slide, audio program transmitted over a telephone system, telemarketing script, onhold script, upsell script, training materials provided to telemarketing firms, program-length commercial (“infomercial”), the Internet, email, or any other medium.

B. **“Personal data”** shall mean information from or about consumers, including, but not limited to: (1) first and last name; (2) home or other physical address, including street name and name of city or town; (3) email address or other online contact information, such as an instant messaging user identifier or a screen name; (4) telephone number; (5) date of birth; (6) gender, racial, ethnic, or religious information; (7) government-issued identification number, such as a driver’s license, military identification, passport, or Social Security number, or other personal identification number; (8) financial information, including but not limited to: investment account information; income tax information; insurance policy information; checking account information; and credit, debit, or check-cashing card information, including card number, expiration date, security number (such as card verification value), information stored on the magnetic stripe of the card, and personal identification number; (9) employment information, including, but not limited to, income, employment, retirement, disability, and medical records; or (10) a persistent identifier, such as a customer number held in a “cookie” or processor serial number.

C. **“Product or service”** shall not include those products or services that are “consumer reports” as set forth in the Fair Credit Reporting Act, 15 U.S.C. § 1681a(d).

D. **Meet and Confer:** You are encouraged to contact **Peder Magee** at **(202) 326-3538** or **Tiffany George** at **(202) 326-3040** as soon as possible to schedule a meeting (telephonic or in person) in order to confer regarding your response.

E. **Applicable Time Period:** Unless otherwise directed in the specifications, the applicable time period for the request shall be from **January 1, 2010 until the date of full and complete compliance with this Order.**

F. **Document Production:** Because postal delivery to the Commission is subject to delay due to heightened security precautions, please use a courier service such as Federal Express or UPS.

G. **Production of Copies:** Copies of marketing materials and advertisements shall be produced in color, and copies of other materials shall be produced in color if necessary to interpret them or render them intelligible.

H. **Sensitive Personally Identifiable Information:** If any material called for by these requests contains sensitive personally identifiable information or sensitive health information of any individual, please contact us before sending those materials to discuss ways to protect such information during production.

For purposes of these requests, sensitive personally identifiable information includes: an individual's Social Security number alone; or an individual's name or address or phone number in combination with one or more of the following: date of birth, Social Security number, driver's license number or other state identification number, or a foreign country equivalent, passport number, financial account number, credit card number, or debit card number. Sensitive health information includes medical records and other individually identifiable health information relating to the past, present, or future physical or mental health or conditions of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual.