

Google's proposals on internet privacy do not go far enough Print

By Marc Rotenberg

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From Prof Marc Rotenberg.

Regarding Eric Schmidt's column ("**Global privacy standards are needed**," September 19), on April 20 2007 the Electronic Privacy Information Center (EPIC) filed a complaint with the US Federal Trade Commission to block Google's planned acquisition of internet advertiser Doubleclick.

We filed this complaint following two similar successful complaints at the Commission. In 2001 we objected to Microsoft's Passport identity management system, which we believed was a substantial threat to online privacy. The FTC agreed and Microsoft scaled back Passport. In 2004 EPIC urged the FTC to investigate Choicepoint, a large data broker, which put consumers at risk through its lax business practices. The FTC opened an investigation, found Choicepoint at fault and imposed a \$15m judgment, the largest in the Commission's history.

EPIC's 2007 complaint regarding Goggle sets out a simple case. Google is the internet's largest search company. Doubleclick is the internet's largest advertising company. Neither has done a particularly good job protecting online privacy and the combined company would pose a unique and substantial threat to the privacy interests of internet users around the globe.

Since the filing of our complaint, the FTC has opened an investigation and announced a "Second Request" for information, which creates a strong presumption that the deal will either be blocked or significantly modified. The European Commission and competition authorities in Canada and Australia have undertaken similar investigations into the pending Google-Doubleclick merger. The New York Consumer Protection Board has written to the FTC in support of EPIC's complaint and recommended that the deal be blocked.

Since the filing of the original EPIC complaint, Google has called for the establishment of global privacy standards. This is an interesting proposal, since countries from America, Europe and Asia announced global privacy standards more than 25 years ago. In fact, EPIC's complaint to the FTC alleged specifically that Google failed to follow these widely recognised standards and recommended that the Commission condition the merger on compliance with these standards.

The original OECD Privacy Guidelines are based on a simple approach to privacy protection. Individuals should have the right to limit the use of the personal information they disclose to others and businesses should have a duty to safeguard the data they collect. It is a sensible approach that anticipates the modern internet economy. For example, companies such as Google should not retain personal information associated with search histories, nor should they track the activities of internet users. The challenge, of course, is to ensure that companies comply with these standards instead of trying to rewrite the rule.

Mr Schmidt would prefer a "notice and choice" approach that would allow global companies to post vague privacy policies (always subject to change) and leave it to individuals to sort out the complexities of new business practices. He would also place on internet users the burden of showing how and where harm occurred, which is particularly unfair since so little is known about how companies that collect personal data make use of the information. This is also the approach that has contributed to the dramatic increase in identity theft and security breaches in the US.

Remarkably, Mr Schmidt writes that neither the internet protocol address nor the cookie that his company collects for every search query identifies individuals. This is an incredible claim since the IP address is essentially the same as a phone number for a user's computer and the cookie is a unique identifier created by Google specifically to track individual internet users.

We have no objection to Google per se. It is a brilliant company filled with smart people. And we

supported Google when it stood up to the US Department of Justice last year. But the privacy threat is real and needs to be addressed in a meaningful fashion. We do not need watered-down guidelines that allow Google and other internet firms to do whatever they wish with the personal information they collect. We need effective safeguards that will help inspire trust and confidence in the internet economy.

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