

POLICY & ACTION FROM CONSUMER REPORTS

April 2, 2012

National Telecommunications and Information Administration 1401 Constitution Avenue NW., Room 4725, Washington, DC 20230

Submitted via email to privacyrfc2012@ntia.doc.gov

Consumer Comments to the National Telecommunications and Information Administration on "Multistakeholder Process To Develop Consumer Data Privacy Codes of Conduct" Docket No. 120214135–2135–01

The National Telecommunications and Information Administration (NTIA) requested comment on the proposal to establish a multistakeholder process to develop voluntary codes of conduct for consumer data privacy.

In response, Consumers Union, the advocacy and public policy arm of Consumer Reports®, conducted a telephone survey among 1,017 random adults (767 landline telephone and 250 cell phone) comprising 509 men and 508 women 18 years of age and older. Interviewing took place over March 29-April 1, 2012. We described several common privacy concerns and asked respondents to tell us whether they are very concerned, somewhat concerned, somewhat unconcerned, or not concerned at all about them.

Our results showed that the most troubling practices related to online privacy regarded the commercial use of personal information without the consumer's permission: 71% of respondents were "very concerned" about companies selling or sharing their information about them without their permission. In addition, 65% of smartphone owners were "very concerned" that smartphone apps can access their contacts, photos, location and other data on their devices without their permission.

More than half of respondents also reported high concern with:

- Advertisers targeting kids with personalized ads based on data they collect while kids surf the Web (58%);
- Companies holding on to your data, even when they don't need it anymore (56%);
- Data about your online activities and purchases being used to deny you employment or affect your ability to get a loan (53%).

Around 4 in 10 consumers were concerned about the use of personalized ads and lengthy privacy policies:

- Advertisers targeting you with personalized ads by collecting data about your interests and purchases online (44%); and
- Privacy policies that are too long and complicated (42%).

In addition to our poll, we also reached out to our grassroots activists and asked them to opine on which substantive issues the multistakeholder process should take up first. We received around 3,100 responses, which we have attached to this letter. Many respondents were particularly concerned about data security and identity theft; companies sharing or selling their personal information without their permission; companies holding on to personal data for long periods of time; privacy policies that are too long and complicated; and kids being tracked online.¹

We hope that our survey results, along with consumers' responses, will help inform future decisions on which substantive issues should be resolved through the multistakeholder process.

Should you have any further questions or concerns, please do not hesitate to contact me at (202) 462-6262, or by email at <u>irusu@consumer.org</u>.

Regards,

Ioana Rusu Regulatory Counsel Consumers Union

¹ This is not a scientific poll. The results of this poll are not a statistically significant representation of a general audience, but are the opinions of our activists who chose to answer the questions.