

# Privacy By Design and the New Privacy Framework of the U.S. Federal Trade Commission



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## FTC Privacy Framework March 26, 2012



## Three Core Principles

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- Privacy By Design
- Simplified Choice
- Greater Transparency

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## Privacy By Design

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- Embed Privacy
- Data Minimization
- Reasonable Security
- Organizational Systems and Controls

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## Simplified Choice

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- Choice beyond the Privacy Policy
- “Just-in-Time” Choice
- When is Choice Necessary?
  - Look at the context of the interaction

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## Do Not Track

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- Simplified Choice for tracking across websites
- Universal, One-Stop, Persistent
- Industry Response: Browsers, Advertising Icons (DAA), World Wide Web Consortium (W3C)

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# Transparency

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- Standardized Privacy Policies
- Reasonable Access to Data
  - Focus on Data Brokers

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# facebook Settlement

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- No misrepresentations about privacy or data security
- Affirmative express consent for changes that override privacy preferences
- Third parties can't access data more than 30 days after deleted or account terminated
- Can't falsely certify U.S.-E.U. Safe Harbor compliance

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## Facebook Settlement and Privacy By Design

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- Comprehensive privacy program, including:
  - Designation of privacy personnel
  - Training
  - Privacy risks assessments
  - Testing and monitoring
- Privacy audits every other year for 20 years

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## Google Settlement

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- Applies to all Google products worldwide
- First FTC settlement to require comprehensive privacy program and audits for 20 years
- No privacy misrepresentations
- Affirmative express consent for broader data sharing with third parties when there's a change to a Google product
- Can't falsely certify U.S.-E.U. Safe Harbor compliance

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## Settlement

- Default setting can't enable automatic sharing of files
- Mandates clear and prominent disclosure about file sharing and how to disable it

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## Cross-Border Privacy Rules

- Privacy rules system approved by APEC Ministers in November 2011
- Voluntary rules backed by enforcement by “accountability agents” and privacy authorities
- Requires comprehensive approach of Privacy by Design
- United States applied to participate in May 2012

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