

**UNITED STATES OF AMERICA  
FEDERAL TRADE COMMISSION**

**COMMISSIONERS:**        **Jon Leibowitz, Chairman**  
                                  **Pamela Jones Harbour**  
                                  **William E. Kovacic**  
                                  **J. Thomas Rosch**

	)	
<b>In the Matter of</b>	)	
	)	
<b>WORLD INNOVATORS, INC.,</b>	)	<b>DOCKET NO. C-</b>
<b>a corporation.</b>	)	
	)	
	)	

**COMPLAINT**

The Federal Trade Commission, having reason to believe that World Innovators, Inc. (“respondent”) has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent World Innovators, Inc. (“World Innovators”) is a Connecticut corporation with its principal office or place of business at 22 Bacon Road, Roxbury, Connecticut 06783.
2. Respondent is a list broker that also sells marketing consulting services, including through its website ([www.worldinnovators.com](http://www.worldinnovators.com)).
3. The acts and practices of respondent as alleged in this complaint have been in or affecting commerce, as “commerce” is defined in Section 4 of the Federal Trade Commission Act.
4. Since at least November 2001, respondent has set forth on its website, [www.worldinnovators.com](http://www.worldinnovators.com), privacy policies and statements about its practices, including statements related to its participation in the Safe Harbor privacy framework agreed upon by the U.S. and the European Union (“U.S.-EU Safe Harbor Framework” or “Safe Harbor”).

## U.S.-EU SAFE HARBOR FRAMEWORK

5. The U.S.-EU Safe Harbor Framework provides a method for U.S. companies to transfer personal data outside of Europe that is consistent with the requirements of the European Union Directive on Data Protection (“Directive”). Enacted in 1995, the Directive sets forth European Union (“EU”) requirements for privacy and the protection of personal data. Among other things, it requires EU Member States to implement legislation that prohibits the transfer of personal data outside the EU, with exceptions, unless the European Commission (“EC”) has made a determination that the recipient jurisdiction’s laws ensure the protection of such personal data. *See* Directive 95/46/EC of the European Parliament and of the Council (Oct. 24, 1995), *available at* <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31995L0046:EN:HTML>. This determination is commonly referred to as meeting the EU’s “adequacy” standard.
6. To satisfy the EU adequacy standard for certain commercial transfers, the U.S. Department of Commerce (“Commerce”) and the EC negotiated the U.S.-EU Safe Harbor Framework, which went into effect in 2000. The Safe Harbor allows U.S. companies to transfer personal data lawfully from the EU. To join the Safe Harbor, a company must self-certify to Commerce that it complies with seven principles and related requirements that have been deemed to meet the EU’s adequacy standard.
7. Companies under the jurisdiction of the U.S. Federal Trade Commission (“FTC”), as well as the U.S. Department of Transportation, are eligible to join the Safe Harbor. A company under the FTC’s jurisdiction that self-certifies to the Safe Harbor principles but fails to implement them may be subject to an enforcement action based on the FTC’s deception authority under Section 5 of the Federal Trade Commission Act.
8. Commerce maintains a public website, [www.export.gov/safeharbor](http://www.export.gov/safeharbor), where it posts the names of companies that have self-certified to the Safe Harbor. The listing of companies indicates whether their self-certification is “current” or “not current.” Companies are required to re-certify every year in order to retain their status as “current” members of the Safe Harbor framework. According to the Safe Harbor website, “Organizations should notify the Department of Commerce if their representation to the Department is no longer valid. Failure to do so could constitute a misrepresentation.” *See* Safe Harbor List, *available at* <http://web.ita.doc.gov/safeharbor/shlist.nsf/webPages/safe+harbor+list>.

## VIOLATIONS OF SECTION 5 OF THE FTC ACT

9. In September 2001, respondent submitted to Commerce a self-certification to the Safe Harbor. Respondent renewed that self-certification in September 2002 and September 2003.

10. In September 2004, respondent did not renew its self-certification to the Safe Harbor, and Commerce updated respondent's status to "not current" on its public website. Until July 2009, respondent did not renew its self-certification to the Safe Harbor and was in "not current" status on Commerce's website. (Exhibit A, Declaration of Damon C. Greer).
11. Since at least November 2001 to the present, respondent has disseminated or caused to be disseminated privacy policies and statements on the [www.worldinnovators.com](http://www.worldinnovators.com) website, including, but not limited to, the following statements:

World Innovators honors the privacy of its clients and visitors and will uphold the privacy policies set forth by the Direct Marketing Association and the Safe Harbor Principles as outlined by the U.S. Department of Commerce and the European Commissions [*sic*]...World Innovators is a member of the U.S. Department of Commerce Safe Harbor program.

Exhibit B, November 2001 Privacy Policy; Exhibit C, February 2005 Privacy Policy; Exhibit D, September 2006 Privacy Policy; Exhibit E, December 2008 Privacy Policy.

12. Through the means described in Paragraph 11, respondent represented, expressly or by implication, that it is a current participant in the Safe Harbor.
13. In truth and in fact, from September 2004 to July 2009, respondent was not a current participant in the Safe Harbor. Therefore, the representations set forth in Paragraph 11 were, and are, false or misleading.
14. The acts and practices of respondents as alleged in this complaint constitute unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

THEREFORE, the Federal Trade Commission this \_\_\_ day of \_\_\_, 2009, has issued this complaint against respondent.

By the Commission.

Donald S. Clark  
Secretary