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COMMENTS OF  
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TO THE  
FEDERAL TRADE COMMISSION TOWN HALL MEETING ON  
"EHAVIORAL ADVERTISING: TRACKING, TARGETING AND TECHNOLOGY"

November 16, 2007

At the FTC Town Hall meeting on "Ehavioral Advertising: Tracking, Targeting and Technology" a group of nine privacy, technology and consumer organizations proposed a "Do Not Track list," to protect consumer privacy online.

We believe such a list is critical to protect consumers. The advent of the ad-supported Internet has driven the increase in behavioral tracking, a practice in which online marketers and advertising networks track, gather, and analyze a person's moment-by-moment use of the Internet to serve targeted advertisements.

In October 2007, Demoxi commissioned Global Market Insite, Inc. for an online survey of a representative sample of 750 US consumers. The survey found that while the majority of people believe controlling their identity online is important, they do not have the tools to do so. Exactly 50% of those polled stated they would not visit a site if there was a risk it would link to their personal information. The survey also found that 32% of those polled never change their passwords, greatly increasing the risk of identity theft or fraud. Survey results can be found at [www.demoxi.com](http://www.demoxi.com).

We commend the FTC for hosting the town hall meeting and after listening to the presentations, we are more convinced than ever that a "Do Not Track List" is critical. However, the implementation of such a list presents unique technical challenges not encountered with other opt-out lists.

Despite these challenges, consumers should be given control over their online privacy, and should know with certainty they are not being tracked regardless of the sites they visit. We offer our technological expertise to the FTC to help develop the solution.



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Demoxi has created free software that enables consumers to control their online identities while safely connecting, communicating, and engaging online. Demoxi offers privacy and identity technology that combines the most advanced solutions for managing identity, web surfing, peer-to-peer communication, managing personal data, exchanging money, digital signatures and online voting – all in one application platform. One of the important components of the Demoxi software is the removal of cookies from the user's computer, assisting in the process of allowing them to browse on the web anonymously without worry of their footsteps being tracked.

We see a few options for implementation of the Do Not Track List, and Demoxi can assist in several ways.

1) Development of a Do Not Track List where consumers are given a tool to add their computer to the list. This list can be accessed by companies who engage in tracking to determine if the consumer has opted out. This solution must be made as simple as possible for the consumer to sign up. Demoxi supports technology where the consumer is empowered to protect themselves by downloading a small program to the protected computer. When this program is executed, their opt-out information can be automatically transmitted to the FTC to be added to the DNT list. This can be branded as an FTC solution.

We see a few issues:

- a) Without an automated solution, typographical errors will leave some consumers unprotected. In addition, some consumers who may want to sign up may be unable due to technical difficulty.
- b) Just as with the "Do Not Call List", some companies will defy the new laws, therefore putting the consumer at risk of being tracked.
- c) In addition, it will be difficult to monitor and prove noncompliance with the law.
- d) Providing computer specific information to a large audience will leave computers vulnerable to hacking and could lead to tracking and ID Theft.
- e) The list will either have to be distributed to companies or a call lookup procedure must be developed to allow access to the list.



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2) Consumers are given access to a software tool to protect their computer. Due to the aforementioned challenges, this seems to be the only option to guarantee anonymity. At a minimum, this tool will have to do three things:

- a) Automatically prevent the addition of tracking cookies to their computer.
- b) Spoof the MAC address and
- c) Scramble the IP address.

Demoxi supports technology that puts the user in charge of their web experience.

We look forward to being part of the process to ensure consumer protection online and offer our technical expertise to the FTC in developing a solution that can give consumers better control of their internet experience.