

May 4, 2004

Donald S. Clark
Secretary
Federal Trade Commission
Room H-159
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Re: Privo Safe Harbor Proposal, Project No. P044506

Dear Mr. Clark:

The Association for Competitive Technology, Inc, ("ACT") is pleased to offer support of the proposed "Safe Harbor" Guidelines submitted by Privo, Inc. ("Privo") in response to the Federal Trade Commission (FTC) notice for comment. We at ACT believe their proposal fully adheres to, or exceeds, the provisions of the Children's Online Privacy Protection Act (COPPA), and should be approved as a Safe Harbor by the FTC.

The Association for Competitive Technology (ACT) is a national education and advocacy group for the technology industry. Focusing on the interests of small and mid-size entrepreneurial technology companies, ACT advocates for a "Healthy Tech Environment" that promotes innovation, competition and investment. ACT has been active on issues such as intellectual property, international trade, e-commerce, privacy, tax policy and antitrust.

ACT represents nearly 3000 software developers, systems integrators, IT consulting and training firms, and e-businesses from across the country. While ACT members include some household names like eBay, Orbitz and Microsoft, our members are primarily small and mid-size companies. Smaller, entrepreneurial technology firms like Sax Software, ComponentSource and EnsuredMail have long been the driving force behind innovation and job growth in the industry. Not only do these companies comprise the vast majority of the technology industry, but they represent one third of all companies in America.

It is this very spirit of innovation that we recognize Privo as emerging from the market as a unique and timely solution to helping companies efficiently and economically comply with the Children's Online Privacy Protection Act.

Privo entered the market in 2001 to meet the demand that COPPA created for an "infomediary service," and has developed a full-service solution specifically matched to the needs of industry. Privo offers a unique proprietary technology platform that enables participating companies to initiate and manage responsible relationships with their online consumers through an identity and permission management platform. The platform, the PrivoLock™ System, allows consumers, or registrants, to maintain control of their personally identifiable information, edit its content, and extend this privacy protection to their children.

Privo's guidelines track the COPPA's requirements set out in §§ 312.2-312.8 for providing parental notice, choice, consent and data confidentiality and security. The PrivoLock™ System is particularly helpful to busy parents, who will greatly benefit from a centralized service such as provided by Privo.

Privo is committed to meeting and exceeding the standards of Children's Online Privacy Protection Act. Approval of Privo's application will confirm that the existence of an "infomediary services" is now a reality and that safe, efficient, compliant youth registration and parental verification tools are available. For the reasons stated above, we enthusiastically encourage the FTC to approve Privo's application for Safe Harbor as submitted.

Respectfully submitted,

Catherine Parsons

Director, Membership Services

Association for Competitive Technology