



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

**“Protecting Consumers in the Next Tech-ade” Hearings
Chat and Blog System
Privacy Impact Assessment**

October 4, 2006

Introduction

On November 6-9, 2006, the Federal Trade Commission's Bureau of Consumer Protection (BCP) will hold public hearings entitled "Protecting Consumers in the Next Tech-ade." The hearings will bring together experts from the business, government, and technology sectors, consumer advocates, academicians, and law enforcement officials to explore the ways in which convergence and the globalization of commerce impact consumer protection. The hearings will provide an opportunity to examine changes that have occurred in marketing and technology over the past decade, and to garner experts' views on coming challenges and opportunities for consumers, businesses, and governmental bodies.

BCP staff plan to use a range of newer communication methods to increase public awareness of the hearings, and to ensure maximum participation by interested businesses, consumers, and experts. Specifically, in advance of the hearings, FTC staff will use moderated "chat" to engage interested participants in an online dialogue about the key issues to be discussed at the hearings. The web-based chats, similar to those hosted by major newspapers, will provide interested parties with an opportunity to ask questions of subject area experts and to discuss their views on the issues that they believe to be of greatest concern to consumers in the next ten years. This dialogue will help staff to further sharpen the agenda for the hearings.

In addition to the chat sessions, prior to and during the hearings, FTC staff will post a blog, or online journal, available through the hearings website (but hosted by an outside vendor using a sub-contractor) to summarize and comment upon the hearings' progress. This communication tool will enable staff to reach out to those unable to attend the hearings in person (or via webcast) in their entirety. The blogging system will allow readers to submit comments to the blog author(s).

Finally, participants are clearly advised that comments and questions submitted by participants are intended to be posted publicly. A warning at the welcome page for both the blog and chat systems notifies public users that any posting submitted may be publicly displayed and cautions against including any sensitive personal information.

System Overview

The Tech-ade Hearings chat and blog features are web-based system communications tools designed to enable FTC staff to communicate with consumers, businesses, and others online who are interested in the Tech-ade hearings. The systems will collect user IP addresses consistent with traditional website logging procedures. The information on the blog system will be stored by the FTC contractor or subcontractor until November 24, 2006; the information on the chat system will be stored by the FTC contractor or subcontractor until November 30, 2006. In addition to IP address, the chat and blog systems will collect the following limited information:

Chat

The chat system will collect and maintain user names voluntarily created and entered into the system by public users. A member of the public wishing to participate by asking a question of an expert in any given session need only input this self-selected user name. It will not be necessary to provide any personally identifying information, including name or email address, to participate. The user name can be any combination of letters and numbers the user desires, including the person's initials, a number, a fictitious name, or a random selection of alphanumeric characters. As noted below, a communication sent through the chat system could contain personally identifiable information, which would be determined solely by the author of the communication. A communication that is not selected by the moderator will not be posted and will not be saved by the contractor or subcontractor. Communications that contain personally identifying information (PII) will not be selected by the moderator for posting. The chat system will internally archive a copy of all moderator communications sent through the system once a chat session is initiated, as well as any user communications selected by the moderator for posting. The post-chat archive is not publicly retrievable, and is only available to system administrators accessing the system log files for forensic purposes. The archive will be maintained on the contractor's or subcontractor's servers until November 30, 2006, after which time the contractor will provide the FTC with an archived copy of the transcript that can be included in the public record for the hearings.

Blog

The blog system enables a public user to comment on articles posted to the blog by an FTC author or blog moderator. A public user wishing to make a comment may do so after entering a self-selected user name. It will not be necessary to provide any personally identifying information, including name or email address, to participate. The user name can be any combination of letters and numbers the user desires, including the person's initials, a number, a fictitious name, or a random selection of alphanumeric characters. Comments submitted by public users, whose comments in some cases could contain personally identifiable information, are not posted to the public website until they are manually reviewed and approved by the FTC blog author or moderator. PII will be redacted by the FTC blog author or moderator and will not be stored or saved. Once a comment is approved for public display by the blog author or moderator, the comment will be displayed along with the user name selected by the commenter. As noted below, the blog information on the servers will be deleted on November 24, 2006, after which time the contractor will provide the FTC with an archived copy of the blog that can be included in the public record for the hearings.

The FTC conducted a privacy impact assessment, which is described below, to determine whether the Tech-ade chat and blog website systems present any privacy issues.

Analysis

1. The Information That Will Be Collected (Nature and Source)

The web-based chat and blog system will collect IP address and self-selected user names. The information maintained also may include user names and questions or comments posted by public users. The information is submitted voluntarily, directly by the participant.

Although it is possible that individuals submitting comments or questions in either the chats or blog could submit sensitive personal information pertaining to themselves or others, both the chats and blog are moderated, which provides an opportunity to redact any such information before the communication is posted publicly, as described below.

2. Why The Information Is Being Collected (Purpose)

The FTC collects IP address and user names, as well as substantive communications and comments from users, to facilitate communication in either a chat session or blog posting. IP addresses and user names are necessary for system management and administration, including the protection of security and integrity, of the chats or blogs. The purpose of the substantive communications and comments submitted in chats and blogs is to stimulate discussion and exchange views between FTC staff, the authors or moderators of the chats and blogs, and other experts, participants and interested members of the public about the issues raised in the Tech-ade hearings.

3. The Opportunities Individuals Will Have To Decline To Provide Information Or To Consent To Particular Uses Of The Information And How Individuals Grant Consent

Participation in the chat and blog features of the Tech-ade hearings is entirely voluntary. It is not technically feasible to operate the chats or blogs, including maintaining the security and integrity of the systems, without the routine collection by the system of IP addresses. The collection of user names provides a method to identify a comment or question, which is necessary to the system administrators, moderators, and other users for the orderly conduct and comprehension of chat and blog discussions.

4. Intended Uses Of The Information Collected

The FTC is collecting IP and user name information for the purpose of facilitating communication in either a chat session or blog posting. IP addresses may be used for security or general system administration purposes. For example, IP addresses may be used to detect patterns or identify sources of any hacking, spamming or other attempts at system intrusion or interference. IP data also may be used in the aggregate for statistical and analytical purposes to assess general source or usage trends. User names are

collected to identify a comment or question, which is necessary to the system administrators, moderators and other users for the orderly conduct and comprehension of chat and blog discussions. As already noted, the user name is self-selected and need not be the person's actual name, or include any PII.

5. With Whom The Information Will Be Shared (Disclosures)

Information pertaining to individual users in the Tech-ade hearings system (i.e., IP addresses, user names, substantive communications or comments) will be collected and maintained by the contractor or subcontractor operating and hosting the chat or blog system website on behalf of the FTC. Although the information to be collected and maintained will not be routinely transferred to the FTC, in those cases where it is (e.g., substantive comments that the moderator posts in the chat and any associated user names revealed in such chats or blogs) and is incorporated into agency records, the FTC could (or, in some cases, may be required to) disclose or share such information as permitted by the Privacy Act, including in accordance with any relevant routine uses (see section 7 below regarding the Privacy Act), including in response to Freedom of Information Act requests from private individuals or companies, requests from Congress, or in litigation. Otherwise, IP addresses will not normally be disclosed publicly by the FTC and/or the contractor or subcontractor operating the system. Likewise, no list of user names will normally be publicly disclosed, except as required or authorized under the Privacy Act, even if individual user names that are associated with particular comments would be disclosed publicly in connection with that user's comments or questions in the chats or blog, as discussed above. Substantive communications and comments collected by the system will also be publicly disclosed through the chats or blogs, as determined by the FTC and/or the moderators of the chats or authors of the blogs. Moderators and authors may determine not to share a communication with other users, and even in cases where the communication is posted publicly, it will be redacted to protect against the disclosure of sensitive personal information.

6. Security (Administrative and Technological Controls, Including Maintenance and Disposal)

The blog information on the collecting server will be deleted on November 24, 2006, and the chat information on November 30, 2006, by the contractor or subcontractor.

Consistent with agency requirements under the Federal Information Security Management Act, the FTC affirms that it follows IT security requirements and procedures required by federal law and policy to ensure that information is appropriately secured in the relevant system, acknowledges that the FTC has conducted a risk assessment for such system, has identified appropriate security controls to protect against that risk, has implemented those controls, and that there is a program of monitoring, testing and evaluation on a regular basis by either the FTC or its contractor or subcontractor to ensure that controls continue to work properly, safeguarding the information. The point of contact for any additional questions from users is the FTC

Chief Information Security Officer.

In this case, the chat and blog system is not a “major” FTC information system within the meaning of OMB Circular A-130, and based on Federal Information Processing Standards (FIPS) 199, has been assessed and categorized as “low” impact in terms of sensitivity. It is being operated by an FTC contractor or subcontractor, and the system is not directly part of the FTC’s own information systems. The contractor or subcontractor, however, has adopted appropriate safeguards to address privacy threats and hazards consistent with requirements that would apply to FTC information systems. Specifically, the contractor’s servers are protected by a firewall. In addition, the contractor is prohibited from using, and does not use, tracking cookies, including any persistent and/or third-party cookies. For the chat system, the contractor has password-protected the “moderator” feature to prevent unauthorized persons from accessing the system in that capacity. Finally, the contractor is expressly prohibited from collecting, storing or retaining any "personal" information, which is defined by the contract to include, but not be limited to, name, DOB, address, SSN, phone, or email address. The FTC would ensure that this same or greater security controls were in effect with any successor contractor.

The FTC believes that that the above safeguards should be sufficient to address the relatively low risks to privacy interests at issue here. As discussed earlier, the chats and blog do not require the submission of any personal financial data or other sensitive personal information in order to participate. Likewise, IP and user name information does not constitute such financial or sensitive personal information. In the event that any user includes sensitive personal information (e.g., financial account numbers, Social Security numbers, etc.) in his or her communication with the chat moderator or blog author, such communications will be sanitized before they are publicly posted.

Pursuant to 44 U.S.C. 3544, the FTC welcomes public comment on the above security policies and procedures to the extent, if any, that they may affect communications between the public and the FTC. Any comments may be addressed to: Chief Information Security Officer, c/o the FTC Privacy Steering Committee, privacysteeringcommittee@ftc.gov.

7. Privacy Act

As noted earlier, user information maintained in the Tech-ade blog and chat system will normally be maintained by the contractor or subcontractor operating that system and will not be routinely transferred to the FTC. To the extent any such records are disclosed or transferred to the FTC, and maintained and retrieved according to name or other personal identifier by the FTC from a system or systems of records pertaining to individuals, such records would be considered part of certain existing Privacy Act records systems previously published by the FTC (e.g., FTC I-1, Investigational, Legal and Public Records and FTC V-1, Mailing Lists). See 57 FR 45678 (Oct. 2, 1992), <http://www.ftc.gov/foia/listofpasystems.htm>. These system notices describe the statutory and routine uses and disclosures that may be made of such system records.

8. Other Privacy Considerations And Analysis

Children's Online Privacy Protection Act: The website is not intended to collect information from children age 13 or under within the meaning of the Children's Online Privacy Protection Act (COPPA). If it becomes clear that a user under 13 years of age of age has posted a question in the chat system or a response in the blog system, the moderator will immediately discard the post. In addition, the moderator will request that the contractor or subcontractor block further posts from any IP address from which an under-aged user has previously sent a question or comment.

As noted earlier, the chat and blog website does not use persistent cookies or tracking mechanisms that collect personally identifying information.

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