

**AdExchanger Industry Preview 2016**  
**Keynote Address**  
**Commissioner Julie Brill**  
**January 21, 2016**

Thank you for that kind introduction. It is a pleasure to be in New York, speaking at AdExchanger's Industry Preview 2016.

I know this may surprise you, but my agency, the Federal Trade Commission, has become "on fleek." In our work involving advertising and tech, our issues have become fodder for some of the hottest comedy shows around. The very first episode of John Oliver's "Last Week Tonight" included a "segment on dubious food advertising, starring POM Wonderful,"<sup>1</sup> a pomegranate juice that promised to reduce the risk of heart disease, prostate cancer, and erectile dysfunction. David Letterman was inspired to create an entire "top ten" list of products the FTC had "rejected," after he heard news of our \$1.5 million settlement with two companies that marketed "caffeine-infused undergarments" as a weight-loss product.<sup>2</sup>

Matt Stone and Trey Parker have also gotten in on the act, with a couple of recent episodes of South Park that took the ad blocking wars to new heights.<sup>3</sup> They featured a world in the not too distant future where mankind struggles to block advertisements, leading ads to become stronger, and disguise themselves as news in order to survive. The hero of the story possesses a superhuman ability to distinguish ads from the news. He links up a girl whom he discovers is not fully human, but actually "Sponsored Content" for State Farm Insurance.

Data Collection and Use in Advertising

I'm not aware that the ad industry has in fact approached technological singularity – at least not yet. But it is clear that advertising has become one of the most technologically

---

<sup>1</sup> See Laura Northrup, *POM Wonderful Sends John Oliver Case of Dog Juice To Shove Up His Arse*, THE CONSUMERIST (May 6, 2014), available at <http://consumerist.com/2014/05/06/pom-wonderful-sends-john-oliver-case-of-dog-juice-to-shove-up-his-arse/>.

<sup>2</sup> See CBS, *Top Ten Other Products Recently Rejected By The Federal Commission*, (Oct. 3, 2014), available at [www.cbs.com/shows/late\\_show/top\\_ten](http://www.cbs.com/shows/late_show/top_ten).

<sup>3</sup> See Jason Lynch, *South Park Hysterically Satirized Ad Blocking and Sponsored Content 'You can try to block ads, but they get smarter'*, ADWEEK (Nov. 19, 2015), available at <http://www.adweek.com/news/television/south-park-hysterically-satirized-ad-blocking-and-sponsored-content-168206>; Lara O'Reilly, *The latest episode of 'South Park' was about ad blocking and hard-to-distinguish native ads*, BUSINESS INSIDER (Nov. 19, 2015), available at <http://www.businessinsider.com/south-park-sponsored-content-ad-blocking-episode-2015-11>.

advanced and data driven industries in our economy.<sup>4</sup> More than ever, advertisers leverage data to reach customers, personalize experiences, and predict consumer behavior. Targeted advertising can be good for your business, for business in general, and for consumers. But these advancements raise significant concerns about consumer privacy and autonomy. While these are definitely 21<sup>st</sup> century conundrums, the principles the FTC employs to protect consumer privacy and choice date back over 100 years, to concerns first raised by Louis Brandeis. The FTC has long believed that consumers must be given reasonable notice and control over how their personal data is collected and used – and that applies regardless of how many zettabytes of data we are talking about.

A newly emerging form of tracking uses sensors to track customers’ mobile phone signals to detect individualized or aggregated traffic patterns about consumers as they travel through stores and malls. The amount of data collected and the uses for the data can vary, and so do the privacy challenges the practice raises.<sup>5</sup> For instance, a retail mobile location tracking service might not track data that is unique to a device or user, or it might immediately aggregate the data collected without linking it to the user or her device. Retailers use this sort of aggregated information to improve their offerings and store layouts. Other retail mobile location trackers collect device level data to serve consumers with ads on their smartphones that might be relevant to them as they shop.

At a bare minimum, it is critical that consumers are given relevant information about retail mobile location tracking when it is happening, and are able to exercise some control over its use. Without better communication to consumers, we may see a demand for apps that automatically disable transmission of signals upon contact with tracking networks.<sup>6</sup>

However, it is not enough that companies communicate with and provide choices to consumers regarding retail mobile location tracking. They must also be *truthful* about these choices. And that is where retail mobile location tracking company Nomi Technologies fell short, in the Commission’s view.<sup>7</sup> Nomi’s privacy policy stated that it would “always allow consumers to opt-out of Nomi’s service on its website as well as at any retailer using Nomi’s technology.” The problem? For the first nine months of 2013 – during which time Nomi collected information about nine million mobile devices – the promised in-store opt-out mechanism was not available, and consumers were not informed when tracking was taking place. Nomi settled charges with the FTC that it violated the FTC Act by misrepresenting the choices that would be offered to consumers and the information that would be made available about retail location tracking.

---

<sup>4</sup> Infographic, *What Data-Driven Marketing Looks like in 2015: Consumer demand for personalization makes information most valuable currency*, ADWEEK (Mar. 23, 2015), available at <http://www.adweek.com/news/technology/infographic-what-data-driven-marketing-looks-2015-163607>.

<sup>5</sup> See Ashkan Soltani, *Privacy Trade-Offs In Retail Tracking*, FTC – TECH@FTC BLOG (Apr. 30, 2015), available at <https://www.ftc.gov/news-events/blogs/techftc/2015/04/privacy-trade-offs-retail-tracking>.

<sup>6</sup> See *id.*

<sup>7</sup> FTC, Press Release, Retail Tracking Firm Settles FTC Charges it Misled Consumers About Opt Out Choices (Apr. 23, 2015), available at <https://www.ftc.gov/news-events/press-releases/2015/04/retail-tracking-firm-settles-ftc-charges-it-misled-consumers>.

The issues surrounding tracking consumers are magnified when we consider further advances in technology. Recent studies from Berkeley<sup>8</sup> and Princeton<sup>9</sup> reveal that web tracking is getting more and more complicated and sophisticated. More companies place tracking cookies than ever before. And it's not just cookies, which at least consumers can attempt to control: companies are increasingly using other methods, such as various device fingerprinting techniques and HTML5 local storage, to track users in ways that are harder to detect and make it harder for consumers to exercise choice.

Companies are also creating integrated marketing profiles that track consumers across multiples devices, often supplementing these profiles with information from third-party offline sources. Two months ago, we hosted a workshop to examine privacy issues raised by cross-device tracking<sup>10</sup> to hear from industry, consumer advocates and others about the technical aspects of these emerging technologies, as well as the benefits and risks to consumers associated with their use. We also discussed whether self-regulatory standards should apply to these techniques, and if so, whether they provide consumers with sufficient protections.

As consumers interact across smart phones, tablets, connected TVs, and wearables, we face critical questions, and all of us have the responsibility to figure out how to make tracking more transparent and give consumers greater control. It is not clear that consumers are meaningfully informed about the cross-device tracking that's happening even today. We reviewed the 20 top websites in five popular consumer categories to see whether consumers were being tracked across their devices and, if so, how the practice was described to them. We are still analyzing the data from our survey, but suffice it to say that we detected the presence of many third-parties that engage in cross-device tracking, and yet we didn't see many disclosures about the practice.<sup>11</sup>

It is troubling that consumers are not provided with information and control over these often-invisible practices. The ad tech industry should be mindful that the Federal Trade Commission has pushed for more consumer control over third-party data collection online for over fifteen years. In 2010, we called for the establishment of a universal "Do Not Track" tool where consumers could opt out of cross-site data collection in their browsers.<sup>12</sup> In 2012, at an event at the White House, major trade associations committed to finding a way to honor browser-

---

<sup>8</sup>Ibrahim Altaweel, Nathaniel Good & Chris Jay Hoofnagle, *Web Privacy Census*, TECHNOLOGY SCIENCE (Jan. 15, 2015) available at <http://techscience.org/a/2015121502/>.

<sup>9</sup>Gunes Acar et al., *The Web Never Forgets: Persistent Tracking Mechanisms in the Wild*, ACM Conference on Computer and Communications Security (2014), available at [https://securehomes.esat.kuleuven.be/~gacar/persistent/the\\_web\\_never\\_forgets.pdf](https://securehomes.esat.kuleuven.be/~gacar/persistent/the_web_never_forgets.pdf).

<sup>10</sup> FTC, Press Release, FTC To Host Workshop on Cross-Device Tracking Nov. 16 (Mar. 17, 2015), available at <https://www.ftc.gov/news-events/press-releases/2015/03/ftc-host-workshop-cross-device-tracking-nov-16>.

<sup>11</sup> Justin Brookman, Presentation, *What is Cross-Device Tracking?* (2015), available at [https://www.ftc.gov/system/files/documents/public\\_events/630761/cross-device\\_tracking\\_workshop\\_deck.pptx](https://www.ftc.gov/system/files/documents/public_events/630761/cross-device_tracking_workshop_deck.pptx).

<sup>12</sup> FTC, PROTECTING CONSUMER PRIVACY IN AN ERA OF RAPID CHANGE: A PROPOSED FRAMEWORK FOR BUSINESSES AND POLICYMAKERS at 66-68 (Dec. 2010) (Preliminary Staff Report), available at <https://www.ftc.gov/sites/default/files/documents/reports/federal-trade-commission-bureau-consumer-protection-preliminary-ftc-staff-report-protecting-consumer/101201privacyreport.pdf>.

based opt-outs by the end of that year.<sup>13</sup> The World Wide Web Consortium – or W3C – standardized the meaning and operation of the “Do Not Track” mechanism last August.<sup>14</sup> And yet, here we are, in 2016, and consumers still do not have an adequate means to opt-out of data collection.

This is even true for advertising targeted to sensitive health conditions. Some industry codes may rule out the use of doctor *diagnoses* for targeting, but visiting medical websites and other web searches involving health issues seem to be fair game. So the fact that you surfed the web or used an app to learn about an STD or diabetes or heart disease can be added to behavioral profiles and lead to targeted ads on other websites. For too long, this has been a significant gap in industry rules, and it should be closed.

As consumers continue to struggle to control targeted advertising and data collection in both more traditional and newer forms, their concern is only growing: in one survey, 62% of Americans said they were more concerned about internet privacy than they were five years ago.<sup>15</sup> Only 4% said they were less concerned.

Truthfully, it is surprising to me that the ad tech industry hasn’t been more motivated to offer consumers better tools to protect their privacy, because it has always been the case that consumers could take matters into their own hands. And that is precisely what appears to be happening. PageFair recently reported that as of June 2015, an average of 45 million Americans were using ad-blocking technologies, as were 198 million customers around the globe.<sup>16</sup> And that was before Apple released iOS 9 – which enabled consumers to more easily incorporate ad-blocking on their iPhones and iPads – a couple of months ago. Immediately, an ad-blocking app named “Peace” became the number one paid app in the U.S. App Store.<sup>17</sup> After two days in the store, and 38,000 downloads,<sup>18</sup> the developer withdrew the app because he was concerned that

---

<sup>13</sup> Danny Weitzner, *We Can’t Wait: Obama Administration Calls for a Consumer Privacy Bill of Rights for the Digital Age*, WHITE HOUSE – BLOG (Feb. 23, 2012), available at <https://www.whitehouse.gov/blog/2012/02/23/we-can-t-wait-obama-administration-calls-consumer-privacy-bill-rights-digital-age>.

<sup>14</sup> World Wide Web Consortium (Aug. 20, 2015), available at <http://www.w3.org/TR/tracking-dnt/>.

<sup>15</sup> Chris Jay Hoofnagle & Jennifer M. Urban, *Alan Westin’s Privacy Homo Economicus*, 49 WAKE FOREST L. REV. 261, 277 (June 1, 2014), available at [https://www.ftc.gov/system/files/documents/public\\_comments/2015/09/00003-97143.pdf](https://www.ftc.gov/system/files/documents/public_comments/2015/09/00003-97143.pdf); see also, Mary Madden & Lee Rainie, *Americans’ Attitudes About Privacy, Security and Surveillance*, PEW RESEARCH CENTER (May 20, 2015), available at <http://www.pewinternet.org/2015/05/20/americans-attitudes-about-privacy-security-and-surveillance/> (citing survey results from 2015 indicating that “93% of adults say that being in control of *who* can get information about them is important,” and “90% say that controlling *what* information is collected about them is important”).

<sup>16</sup> PageFair, *The Cost of Ad Blocking: PageFair and Adobe 2015 Ad Blocking Report* at 5, 16 (2015) (finding that usage of ad blockers in the United States increased to “45 million average monthly active users in Q2 2015”; during the same period, global usage of ad blockers was at an average of 198 million monthly active users), available at [http://downloads.pagefair.com/reports/2015\\_report-the\\_cost\\_of\\_ad\\_blocking.pdf](http://downloads.pagefair.com/reports/2015_report-the_cost_of_ad_blocking.pdf); Kate Kaye, *Do Not Track Is Finally Coming, but not as Originally Planned*, ADVERTISING AGE (July 17, 2015), available at <http://adage.com/article/privacy-and-regulation/track-finally-coming-planned/299536/>.

<sup>17</sup> Sarah Perez, *A Day After iOS 9’s Launch, Ad Blockers Top the App Store*, TECHCRUNCH (Sept. 17, 2015), available at <http://techcrunch.com/2015/09/17/a-day-after-ios-9s-launch-ad-blockers-top-the-app-store/>.

<sup>18</sup> Jack Marshall, *Apple Propels an Ad-Blocking Cottage Industry*, WALL STREET JOURNAL (Sept. 24, 2015), available at <http://www.wsj.com/articles/propelled-by-apple-ad-blocking-cottage-industry-emerges-1443115929>.

its blocking wasn't sufficiently nuanced.<sup>19</sup> But guess what? Peace's number one spot in the App Store was then replaced by Crystal, another ad-blocker.<sup>20</sup>

Publishers are still deciding how to deal with ad blockers. Some, like Yahoo! Mail and Washington Post, experimented with locking out users who block ads.<sup>21</sup> Forbes did the same, and is also testing "ad-light" experiences.<sup>22</sup> Slate serves a message to ad blockers asking them to sign up for premium membership, and it also, along with Huffington Post and Bloomberg, says it is looking at improving the ad experience to entice readers to voluntarily disable their ad blockers.<sup>23</sup>

Many ad-blocking programs – like EFF's Privacy Badger, Disconnect.me, and Mozilla's Focus – will "whitelist" advertisers that commit to limit data retention. Ghostery, which is probably the best known transparency tool for the ad tech space, reports that "whitelist this site" is its most popular feature.<sup>24</sup> It has surprised me that, so far, few advertisers seem willing to take up the offer to limit data retention, or to otherwise ensure consumers that they are treating their data properly. It's hard for me to believe that serving an ad while limiting data retention isn't better than serving no ad at all.

Fortunately, more and more industry voices are recognizing that escalating a technology war with consumers isn't the answer. Jason Kint, President of the publishers' trade association Digital Content Next, said it well: "No business has ever succeeded long term without meeting consumer demands. So, instead of fighting consumers, let's give them what they want: More transparency and better controls."<sup>25</sup>

Industry needs to make a real value proposition to consumers for online tracking: in one recent study, 91% of people rejected the notion that hidden or invisible data collection is justified by offering free or discounted content.<sup>26</sup> I can't blame them—how can consumers knowingly

---

<sup>19</sup> Marco Arment, *Just doesn't feel good*, MARCO.ORG (Sept. 18, 2015), available at <http://www.marco.org/2015/09/18/just-doesnt-feel-good>.

<sup>20</sup> Chris Welch, *Best-Selling iOS Ad Blocker Crystal Will Let Companies Pay To Show You Ads*, THE VERGE (Sept. 24, 2015), available at <http://www.theverge.com/2015/9/24/9393941/clear-ios-ad-blocker-offering-paid-whitelist>.

<sup>21</sup> Kif Leswing, *Yahoo Mail Tried to Block Ad Blockers, And it Might Have Backfired*, FORTUNE (Nov. 23, 2015), available at <http://fortune.com/2015/11/23/yahoo-ad-block/>; Felicia Greiff, *The Washington Post Tests Blocking People Who Ad-Block*, ADVERTISINGAGE (Sept. 10, 2015), available at <http://adage.com/article/digital/washington-post-test-blocking-people-ad-blockers/300304/>.

<sup>22</sup> Lewis Dvorkin, *Inside Forbes: Our Ad Block Test Stirs Up Emotions, Then Brings Learnings and New Data*, FORBES (Jan. 14, 2016), available at <http://www.forbes.com/sites/lewisdvorkin/2016/01/14/inside-forbes-our-ad-block-test-stirs-up-emotions-then-brings-learnings-and-new-data-2/#2715e4857a0b669e461a2cae>.

<sup>23</sup> Lucia Moses, *How Slate, The Huffington Post, Bloomberg fight ad blocking*, DIGIDAY (Jan. 15, 2016), available at <http://digiday.com/publishers/slate-washington-post-bloomberg-others-combat-ad-blocking/>.

<sup>24</sup> Ghostery, *Part I: Separating Signal From Noise in Ad Blocking*, GHOSTERY – BUSINESS BLOG (Jan. 2016), available at <https://www.ghostery.com/intelligence/business-blog/business/signal-noise/>.

<sup>25</sup> Jason Kint, *Understanding 'Do Not Track': Truth and Consequences*, RE/CODE (Jan. 12, 2016), available at <http://recode.net/2016/01/12/understanding-do-not-track-truth-and-consequences/>.

<sup>26</sup> Joseph Turow et al., *The Tradeoff Fallacy: How Marketers Are Misrepresenting American Consumers and Opening Them Up to Exploitation*, at 12 (2015) available at [https://www.ftc.gov/system/files/documents/public\\_comments/2015/09/00012-97594.pdf](https://www.ftc.gov/system/files/documents/public_comments/2015/09/00012-97594.pdf).

bargain for free content, without actually knowing what they are giving up, to whom, and for what purpose? I urge you to continue to explore the creation of innovative and usable tools to address consumer concerns about privacy. Not to find ways to work-around consumer choice, but to provide consumers with something they clearly want: to see advertising that respects their privacy and that they can trust.

### Native Advertising

Until that happens, more and more consumers will continue to take advantage of ad-blocking services. Some marketers and publishers are responding by pivoting to native advertising as the new way to get ads in front of consumers. Native advertising is ad content that matches the design, style, and behavior of the media in which it is disseminated. These natively formatted ads are typically inserted into the regular content that a publisher site or social media platform provides.

While native advertising is not a new phenomenon, it has become much less expensive to create and deploy in digital marketing efforts, making it more attractive to advertisers. Native ads can be easily formatted at scale to match the layout and flavor of the editorial content that surrounds it, and they can now be automated and targeted to consumers on a more individualized basis. Indeed, there is no doubt that, if you wanted to, many of you, representing today's high-tech, highly innovative ad industry, could create native advertising that would require super human powers to detect, as envisioned by Matt Stone and Trey Parker.

So I'd like to spend a few minutes talking to you about the FTC's native advertising enforcement policy statement,<sup>27</sup> which was released just last month. Our enforcement statement's bottom line message no matter the media or format, advertising messages should be easily identifiable to consumers as advertising.

Why do we care about this? Because if consumers are unable to recognize that material is advertising, they are likely to give greater weight to the material, or interact with the content in ways that they otherwise would not have interacted. This concern – that consumers should be able to easily understand that the advertisements they are seeing are ads -- has roots in our past enforcement and policy efforts involving door-to-door encyclopedia salesmen that misled consumers to think they had won a prize to get in the door;<sup>28</sup> unsolicited emails with misleading header information designed to get consumers to open the message or click on a link;<sup>29</sup> paid endorsements that are not adequately identified as such;<sup>30</sup> and misleading ads that are designed

---

<sup>27</sup> Commission Enforcement Policy Statement on Deceptively Formatted Advertisements (2015) (hereinafter "Enforcement Policy Statement," available at <https://www.ftc.gov/public-statements/2015/12/commission-enforcement-policy-statement-deceptively-formatted>; FTC Workshop, *Blurred Lines: Advertising or Content?*, available at <https://www.ftc.gov/news-events/events-calendar/2013/12/blurred-lines-advertising-or-content-ftc-workshop-native>).

<sup>28</sup> See *Encyc. Britannica, Inc.*, 87 F.T.C. 421, 495-97, 531 (1976), *aff'd*, 605 F.2d 964 (7th Cir. 1979), as modified, 100 F.T.C. 500 (1982).

<sup>29</sup> See 15 U.S.C. §§ 7701-7713 (2003).

<sup>30</sup> See Guides Concerning Use of Endorsements and Testimonials in Advertising, 16 C.F.R. § 255.5 & Examples 3, 7-9; see also FTC, Press Release, Xbox One Promoter Settles FTC Charges That it Deceived Consumers With

to look like search results.<sup>31</sup> The principles animating these cases still remain equally true in the world of granular segmentation and native ads in virtual reality.<sup>32</sup>

Our policy statement on native advertising sets forth the general considerations and factors in which we will use to determine whether a natively formatted ad is misleading because it appears to consumers to be indistinguishable from news, feature articles, product reviews, entertainment and other content.

We will look at the entire ad to evaluate the net impression that the ad conveys to reasonable consumers. We also look to whether the consumer is misled to believe that a party other than the sponsoring advertiser is the source of the advertising.

Moreover, consumers should be able to recognize that content is sponsored before actually interacting with the content. So we also look at whether any necessary disclosures are placed in a way that is obvious, and in language that is unambiguous and easy to understand. And remember, disclosures that appear only through scroll overs or click-throughs may not cure otherwise deceptive ads.

I know many of you agree that native advertising cannot function as a work-around that tricks consumers into reading sponsored content. Many of you are concerned about maintaining the loyalty that companies and publishers work hard to build, and so don't want to engage in activities that erode this trust. So it is in everyone's interest to ensure that consumers understand the source that created or influenced the advertising content. This is the type of transparency that is key to preserving consumer trust.

### FTC's Technological Growing Capabilities

---

Endorsement Videos Posted by Paid 'Influencers' (Apr. 23, 2015) (consent pending public comment), *available at* <https://www.ftc.gov/news-events/press-releases/2015/09/xbox-one-promoter-settles-ftc-charges-it-deceived-consumers>; FTC, Press Release, FTC Approves Final Order Barring AmeriFreight from Deceptively Touting Online Consumer Reviews and Failing to Disclose Incentives It Provided to Reviewers (Apr. 20, 2015), *available at* <https://www.ftc.gov/news-events/press-releases/2015/04/ftc-approves-final-order-barring-amerifreight-deceptively-touting>.

<sup>31</sup> See Letter from Heather Hipsley, Acting Associate Director, Division of Advertising Practices, Federal Trade Commission to Gary Ruskin, Executive Director, Commercial Alert (June 27, 2002) ("Search Engine Guidance"), *available at* [www.ftc.gov/sites/default/files/documents/closing\\_letters/commercial-alert-response-letter/commercialalertletter.pdf](http://www.ftc.gov/sites/default/files/documents/closing_letters/commercial-alert-response-letter/commercialalertletter.pdf); Press Release, Federal Trade Commission, FTC Consumer Protection Staff Updates Agency's Guidance to Search Engine Industry on the Need to Distinguish Between Advertisements and Search Results (June 25, 2013), *available at* [www.ftc.gov/news-events/press-releases/2013/06/ftc-consumer-protection-staff-updates-agencys-guidance-search](http://www.ftc.gov/news-events/press-releases/2013/06/ftc-consumer-protection-staff-updates-agencys-guidance-search); see also Exemplar letter from Mary K. Engle, Associate Director, Division of Advertising Practices, Federal Trade Commission to General Purpose Search Engines (June 24, 2013), *available at* [www.ftc.gov/sites/default/files/attachments/press-releases/ftc-consumer-protection-staff-updates-agencys-guidance-search-engine-industryon-need-distinguish/130625searchenginegeneralletter.pdf](http://www.ftc.gov/sites/default/files/attachments/press-releases/ftc-consumer-protection-staff-updates-agencys-guidance-search-engine-industryon-need-distinguish/130625searchenginegeneralletter.pdf) ("Updated Search Engine Letter").

<sup>32</sup> Jonathan Sills, *What 2015 Has In Store For Native Ads, TV and Email*, TECH CRUNCH (Dec. 27, 2014), *available at* <http://techcrunch.com/2014/12/27/native-ads-tv-and-email-in-2015/>; Kyle Russell, *Media Spike Gave Us a Quick Look At Native Ads in Virtual Reality*, TECH CRUNCH (Dec 8, 2015), *available at* <http://techcrunch.com/2014/12/08/mediaspikes-gave-us-a-quick-look-at-native-ads-in-virtual-reality/>.

You can expect the Federal Trade Commission to continue its efforts in promoting transparency and enforcing against unfair and deceptive acts in the marketplace. Part of our effort will include ensuring the agency’s ability to keep up with the fast pace of technology in all the areas we cover, including ad tech. For the past 6 years, we have brought in-house some of the leading researchers and technologists in the country to serve as the FTC’s Chief Technologist. Dr. Lorrie Cranor, of Carnegie Mellon, has just joined us in this role, following other luminaries like Ed Felten, Latanya Sweeney and Ashkan Soltani. We are beefing up our front line staff’s technological capabilities through our expanded Office of Technology Research and Innovation (“OTech”), where our growing stable of researchers and technologists work hand-in-hand with our attorneys and economists.

You can also expect us to continue to engage with universities, advocacy groups, think tanks, and other institutions on cutting edge issues. Last week, we hosted our first PrivacyCon, which brought together a wide range of stakeholders to discuss the latest research related to consumer privacy, big data analytics, tracking, and data security.<sup>33</sup>

\* \* \* \* \*

I’d like to leave you with a final thought, but it will require you to allow me to float back in time a bit. Back before our world of ad tech, ad blocking, and granular market segmentation through data analytics. Back before Matt Stone and Trey Parker, before John Oliver – even before David Letterman – and that’s going a long way back! Let’s go all the way back to one of the greatest novels of the twentieth century, F. Scott Fitzgerald’s *The Great Gatsby* – the tortured tale of the millionaire Jay Gatsby; his quixotic obsession for the beautiful Daisy Buchanan; all as observed by Daisy’s cousin, the would-be writer and narrator of the story, Nick Carraway. Spoiler alert for any of you who haven’t read it or seen Baz Lurhman’s wonderful remake a few years ago: it doesn’t end well for Gatsby. Nick – who describes himself as “one of the few honest people I’ve ever known” – ends his story with what many have seen as a message of the hopelessness of escaping one’s history. He says: “So we beat on, boats against the current, borne back ceaselessly into the past.” But I think you can also read that as a hopeful dispatch, certainly as it pertains to the FTC and our protection of consumers in the rapidly evolving world of advertising.

The explosion of connected devices, mobile apps, more robust methods of data analyses, and technologically-sophisticated native advertising have both benefits and also raise concerns that were probably unimaginable five years ago. But the principles of truth in advertising, consumers’ control over their data, and privacy protection – principles behind which the FTC has long stood – can and do still apply. These principles that have served us so well in the past are perhaps the best way to ensure we can adequately protect consumers in what will certainly continue to be a rapidly evolving future.

Thank you.

---

<sup>33</sup> FTC, Workshop, *PrivacyCon* (Jan. 14, 2016), materials available at <https://www.ftc.gov/news-events/events-calendar/2016/01/privacycon>.