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# privacy news

## US Websites Fail to Protect Privacy

An Andersen Consulting survey of 75 US corporate websites released in mid-August found that none measured up to a set of international standards for ensuring the privacy of customers' personal information. Reuters reports that although many of the websites surveyed were found to provide adequate data privacy in one or two areas, the Andersen study found that none met all six privacy guidelines developed between the United States and the European Union last year.

The study found that 80% of companies surveyed provided adequate consumer choice and 74% said they would use the data only for its intended purpose. However, only 25% provided adequate notice and 5% had set up enforcement provisions for consumers. Travel and leisure companies scored best on notice and security provisions. Financial services firms were most likely to provide adequate choice.

The Andersen study did not deal specifically with the few companies that have signed onto the US Safe Harbor program (see p.15).

*For further information visit:  
[www.news.cnet.com/news/0-1005-200-6892337.html](http://www.news.cnet.com/news/0-1005-200-6892337.html); [www.siliconvalley.com/docs/news/reuters\\_wire/14144951.htm](http://www.siliconvalley.com/docs/news/reuters_wire/14144951.htm).*

## US Federal Trade Commission says that Amazon.com change in privacy policy not deceptive

In December 2000, the Federal Trade Commission received a request to investigate online retailer Amazon.com. Both the Electronic Privacy Information Center (EPIC) and Junkbusters Corp. had asked the FTC to determine whether Amazon.com deceived consumers in its representations about privacy and when Amazon might disclose information about customers.

FTC staff considered whether Amazon, under its revised privacy policy, changed its practices with respect to its collection and use of personal information in a way that was deceptive or unfair in violation of Section 5 of the Federal Trade Commission Act.

Amazon's previous privacy policy stated that "Amazon.com does not sell, trade, or rent your personal information to others. We may choose to do so in the future with trustworthy third parties, but you can tell us not to by sending a blank e-mail message to never@amazon.com." The complainants were concerned that under its revised privacy policy, Amazon might disclose personal information about consumers who previously selected "never." However, Amazon assured the FTC that, despite the ambiguity of its revised policy on this issue, it will not disclose to third parties any personal information concerning consumers who previously selected "never." Amazon also informed the FTC that it has never sold, traded, or rented the personal information of any of its customers, even those customers who did not e-mail never@amazon.com, and that it will not do so without notice to its customers and an opportunity for them to choose not to have their information shared.

In a letter dated May 24th 2001, the FTC's Director, Bureau of Consumer Protection, reported the conclusion of FTC staff that Amazon's revised privacy policy does not materially conflict with representations Amazon made in its previous privacy policy, and that it is likely that it has not violated Section 5 of the Act.

*For further information: [www.ftc.gov/os/closings/staff/amazonletter.htm](http://www.ftc.gov/os/closings/staff/amazonletter.htm).*