

## Facebook Settles FTC Charges that It Deceived Consumers, Agrees to 20 Year Consent Order

November 29, 2011 by Colin J. Zick

In a settlement announced today by the <u>Federal Trade Commission</u> and <u>Facebook</u>, the social networking service agreed to settle charges that it deceived consumers by telling them they could keep their information on Facebook private, and then repeatedly allowing it to be shared and made public according to the FTC's press release.

In its <u>complaint</u>, the FTC alleged, among other things, that Facebook users could not restrict access to their profile information to specific groups, such as "Only Friends" or "Friends of Friends" through their Profile Privacy Settings despite Facebook's representations that users could impose such restrictions on their accounts.

In the extensive <u>consent order Facebook entered with the FTC</u>, Facebook agreed (among other things) to "obtain initial and biennial assessments and reports . . . from a qualified, objective, independent third-party professional, who uses procedures and standards generally accepted in the profession," which assessments and reports will:

- set forth the specific privacy controls that [Facebook] has implemented and maintained during the reporting period;
- explain how such privacy controls are appropriate to [Facebook's] size and complexity, the nature and scope of [Facebook's] activities, and the sensitivity of the covered information;
- explain how the privacy controls that have been implemented meet or exceed the protections required by Part IV of this order; and
- certify that the privacy controls are operating with sufficient effectiveness to provide reasonable assurance to protect the privacy of covered information and that the controls have so operated throughout the reporting period.

This consent order will last for an astoundingly long time: <u>20 years</u>. (Query whether this agreement's terms and length will become the standard for future FTC privacy settlements.)

Facebook founder <u>Mark Zuckerberg</u> also released a <u>blog post</u> on the settlement, and in it he announced a split in the company's privacy officer role: Erin Egan will become Facebook's Chief Privacy Officer, Policy, and Michael Richter, currently Facebook's Chief Privacy Counsel, will become Facebook's Chief Privacy Officer, Products.

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