



Georgia Governor Signs Sweepstakes Bill, Myspace Settles Privacy Charges with FTC

Georgia's governor signed Senate Bill 431, a bill intended to regulate Internet cafes by prohibiting "any promotion involving an element of chance which involves the playing of a game on a computer, mechanical device, or electronic device at a place of business in this state." As we [reported earlier](#), members of the promotions industry are concerned because the bill is ambiguous and broadly drafted and on its face appears to prohibit, among other things, cash prizes in all types of sweepstakes. The bill became effective upon the Governor's signature.

We will notify you of any guidance provided by Georgia that may explain how it will be interpreted or enforced.

Myspace Settles FTC Privacy Charges

The Federal Trade Commission announced a settlement with Myspace over disclosure of Myspace users' personal information. The FTC alleged that despite the promises contained in its privacy policy, Myspace provided advertisers with the unique identifier of Myspace users who were viewing particular pages on the social networking site. Advertisers could use the unique identifier to locate a user's Myspace profile to obtain personal information publicly available on the profile and, in most instances, the user's full name. According to the FTC, advertisers also could combine the user's real name and other personal information with additional information to link broader web-browsing activity to a specific individual. The FTC claimed that these practices violated Myspace's privacy policy.

The agency also claimed that Myspace certified that it was complying with the U.S.-EU Safe Harbor Framework, which provides a method for U.S. companies to transfer personal data lawfully from the European Union to the United States. As part of its self-certification, Myspace claimed that it

complied with the Safe Harbor Principles, including the requirements that consumers be given notice of how their information will be used and the choice to opt out. The FTC alleged that these statements were false.

Under the proposed settlement, Myspace is required to establish a comprehensive privacy program designed to protect consumers' information, and to obtain biennial assessments of its privacy program by independent, third-party auditors for 20 years.

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Advanced Media and Technology Group

KENNETH A. ADLER	KADLER@LOEB.COM	212.407.4284
ROBERT M. ANDALMAN	RANDALMAN@LOEB.COM	312.464.3168
ALISA C. BERGSTEIN	ABERGSTEIN@LOEB.COM	312.464.3155
IVY KAGAN BIERMAN	IBIERMAN@LOEB.COM	310.282.2327
CHRISTIAN D. CARBONE	CCARBONE@LOEB.COM	212.407.4852
TAMARA CARMICHAEL	TCARMICHAEL@LOEB.COM	212.407.4225
MARC CHAMLIN	MCHAMLIN@LOEB.COM	212.407.4855
CRAIG A. EMANUEL	CEMANUEL@LOEB.COM	310.282.2262
KENNETH R. FLORIN	KFLORIN@LOEB.COM	212.407.4966
DANIEL D. FROHLING	DFROHLING@LOEB.COM	312.464.3122
DAVID W. GRACE	DGRACE@LOEB.COM	310.282.2108
THOMAS A. GUIDA	TGUIDA@LOEB.COM	212.407.4011
NATHAN J. HOLE	NHOLE@LOEB.COM	312.464.3110
MELANIE HOWARD	MHOWARD@LOEB.COM	310.282.2143
THOMAS P. JIRGAL	TJIRGAL@LOEB.COM	312.464.3150
IEUAN JOLLY	IJOLLY@LOEB.COM	212.407.4810
MICHAEL RIDGWAY JONES	MJONES@LOEB.COM	212.407.4042
JULIE E. LAND	JLAND@LOEB.COM	312.464.3161
MICHAEL MALLOW	MMALLOW@LOEB.COM	310.282.2287
KATHERINE THERESE MASON	KMASON@LOEB.COM	212.407.4898

DOUGLAS N. MASTERS	DMASTERS@LOEB.COM	312.464.3144
NERISSA COYLE MCGINN	NMCGINN@LOEB.COM	312.464.3130
ANNE KENNEDY MCGUIRE	AMCGUIRE@LOEB.COM	212.407.4143
DOUGLAS E. MIRELL	DMIRELL@LOEB.COM	310.282.2151
DANIEL G. MURPHY	DMURPHY@LOEB.COM	310.282.2215
BRIAN NIXON	BNIXON@LOEB.COM	202.618.5013
DANIEL O'CONNELL OFFNER	DOFFNER@LOEB.COM	310.282.2252
SETH A. ROSE	SROSE@LOEB.COM	312.464.3177
ROBERT MICHAEL SANCHEZ	RSANCHEZ@LOEB.COM	212.407.4173
ALISON POLLOCK SCHWARTZ	ASCHWARTZ@LOEB.COM	312.464.3169
STEVE A. SEMERDJIAN	SSEMERDJIAN@LOEB.COM	212.407.4218
BARRY I. SLOTNICK	BSLOTNICK@LOEB.COM	212.407.4162
REGAN A. SMITH	RASMITH@LOEB.COM	312.464.3137
BRIAN R. SOCOLOW	BSOCOLOW@LOEB.COM	212.407.4872
WALTER STEIMEL, JR.	WSTEIMEL@LOEB.COM	202.618.5015
AKIBA STERN	ASTERN@LOEB.COM	212.407.4235
JAMES D. TAYLOR	JTAYLOR@LOEB.COM	212.407.4895
MICHAEL A. THURMAN	MTHURMAN@LOEB.COM	310.282.2122
JILL WESTMORELAND	JWESTMORELAND@LOEB.COM	212.407.4019
MICHAEL P. ZWEIG	MZWEIG@LOEB.COM	212.407.4960