

Advanced Media and Technology Law

Advertising and Promotions Law



Advertising Accountability Program Issues First Set of Compliance Warnings for Violations of Enhanced Notice Internet Rules

Signaling its intent to enforce industry-established guidelines relating to behavioral advertising, the Better Business Bureau's Online Interest-Based Advertising Accountability Program announced the issuance of a <u>compliance warning</u> to companies that had fallen short of some of the Program's "enhanced notice" provisions. The Program declined to identify the individual companies receiving the warning, and the warning's overall tone was explanatory rather than punitive. The warning emphasizes, however, the focus of the self-regulatory body on new enhanced notice rules.

Enhanced notice falls under the more general Transparency Principle of the Online Behavioral Advertising Principles (available <u>here</u>). Under the new rules, entities collecting and using data for online behavioral advertising must provide web users with at least two forms of notice. In addition to a general notice on their websites, companies are required to provide a "real time" signal to website users - such as an AdChoices lcon - letting users know when their online activities are being monitored by third parties for directed advertising purposes. The intent is to provide consumers with information concerning the use of their Internet browsing patterns, giving consumers real-time notice and an easy-to-use way to exercise choice whenever third parties collect browsing activity for online behavioral advertising. In issuing mere warnings against the seven companies, the Program noted that each company had a long-standing compliance record with all other OBA Principles requirements and that the enhanced notice requirement is still relatively new. Although it closed the reviews of the seven companies without any further action, the Program declared its intention to begin stricter enforcement of the enhanced notice requirements beginning on January 1, 2014.

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