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UNITED STATES OF AMERICA

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VIA EMAIL TO PRIVACYNOI2010@NTIA.DOC.GOV

National Telecommunications and Information Administration
U.S. Department of Commerce
1401 Constitution Avenue, NW, Room 4725
Washington, DC 20230

Re: The Department of Commerce Internet Policy Task Force Report on *Commercial Data Privacy and Innovation in the Internet Economy: A Dynamic Policy Framework*, Docket No. 101214614-0614-01

Dear Internet Policy Task Force:

The U.S. Chamber of Commerce¹ is pleased to submit these comments² in response to the Department of Commerce's Internet Policy Task Force's ("Department") green paper on *Commercial Data Privacy and Innovation in the Internet Economy: A Dynamic Policy Framework* ("Report").³ The Chamber welcomes this Report as a thoughtful contribution to the ongoing policy debate on privacy and applauds the Department for its efforts to seek input from a variety of stakeholders.

Today, companies of all shapes and sizes communicate with consumers, employees, existing customers, potential customers, and business partners around the world. In this tough economy, businesses depend more than ever on having beneficial and trusted relationships with their customers. In particular, with better data, businesses can deliver more relevant and targeted products and services to their customers. Therefore, the Chamber believes that self-regulation and best business practices serve as the preferred framework for enhancing innovation, investment, and competition, while—at the same time—protecting consumers' privacy online.

¹ The U.S. Chamber of Commerce is the world's largest business federation representing the interests of more than 3 million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations.

² The Chamber represents many different types of companies and economic sectors with different concerns in the telecommunications and Internet areas and while the position stated in the filed comments with the Commission is the official position for the U.S. Chamber of Commerce, our comments do not reflect the views of all company members.

³ Department of Commerce Internet Policy Task Force, *Commercial Data Privacy and Innovation in the Internet Economy: A Dynamic Policy Framework* (December 2010) (*hereinafter* "Report").

Through the use of self-regulatory regimes, the Chamber supports the development of voluntary codes of conduct that enable continued flexibility in rules that can evolve with new technologies and business models.⁴ Self-regulation is an effective method of protecting consumer privacy because the regulatory process is often incapable of responding rapidly to market developments—including changes in consumer preferences and concerns—as well as advances in technology. Entities that will have to comply with these codes of conduct should be responsible for their creation because it goes against the notion of self-regulation if these policies are actually developed and imposed on industry by the government.

The Chamber supports the Report's recommendation that the "U.S. government should continue to work toward increased cooperation among privacy enforcement authorities around the world and develop a framework for mutual recognition of other countries' commercial data privacy frameworks."⁵ Given the global nature of business today, the Department has an important role in representing the interests of U.S. businesses abroad. By working to reduce barriers to trade, advocate for practices internationally that are consistent with U.S. policies, promote commerce, and ease challenges created by having to comply with divergent regulations worldwide, the Department can help ensure the continued ability of U.S. companies to compete and thrive globally.

The Chamber also encourages the Department to advocate for the creation of streamlined rules or exceptions for when information collected about an employee, by an employer, prospective employer, or former employer that directly relates to that relationship crosses privacy jurisdictions.

The Chamber thanks the Department for the opportunity to comment on this Report and looks forward to working with you on this very important issue.

Sincerely,



William L. Kovacs

⁴ Report at 29.

⁵ Report at 53.