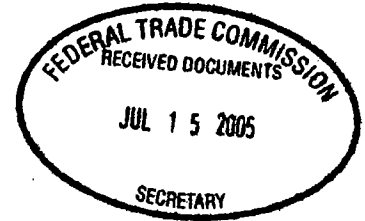


Adam Shostack

MA 02215

July 5, 2005



FTC  
Office of the Secretary  
Room H-159  
600 Pennsylvania Avenue, N.W.  
Washington, D.C. 20580

In re: FTC File No. 0423160, BJ's Wholesale consent agreement

Thank you for the opportunity to comment on the proposed agreement with BJ's Wholesale. I write as a concerned private citizen, and as an expert in information security and privacy. I have been working in the field for over a decade, and am a regular speaker at a variety of academic and commercial security conferences.

I am concerned that the proposed agreement has a number of important flaws.

First, BJs has failed to protect consumer information. The very best protection available is to not collect information which is not needed. Information not collected can not be placed at risk by negligence or failure. As such, BJs should be forbidden from collecting any data that they do not require in order to complete a transaction. In particular, they should be forbidden from collecting drivers license numbers, social security numbers, or other identifiers.

Secondly, the requirement to conduct regular audits is a good one. I would suggest extending the requirement to say that the auditor must consider privacy issues along with security issues, and that those issues must be considered from a consumer viewpoint, along with that of the company.

Finally, I suggest that the auditor's report be made public. A report which is published will have a far greater effect on BJ's behavior than one which is kept private. Given their failure to protect people's privacy, their customers deserve to be able to make an informed determination if they would like to do business with BJ's again.

Thank you for the opportunity to comment on the proposed consent agreement. I am confident that with careful consideration of comments received, it will provide good incentives for fair trade.

Yours,

Adam Shostack