

PRIVACY AND INFORMATION SECURITY LAW BLOG

GLOBAL PRIVACY AND INFORMATION SECURITY LAW UPDATES AND ANALYSIS

October 2012

This Client Alert is a monthly update on privacy and information management developments as posted on Hunton & Williams' [Privacy and Information Security Law Blog](#). If you would like to receive email alerts when new posts are published, please visit our [blog](#) and enter your email address in the subscribe field.

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UK ICO Fine Reinforces Public Sector Compliance Concerns October 29, 2012

On October 23, 2012, just two weeks after issuing a series of reports highlighting the UK Information Commissioner's Office's ("ICO's") concerns regarding data protection compliance within the public sector, the ICO has imposed a [monetary penalty](#) of £120,000 and issued an enforcement notice against the [Stoke-on-Trent City Council](#) ("Stoke Council") in relation to a serious data breach. The breach involved the transmission of sensitive personal information related to a child protection case by email in an unmarked and unprotected manner to the incorrect email address. [Continue reading...](#)

FTC Releases Report on Facial Recognition Technology October 26, 2012

On October 22, 2012, the Federal Trade Commission [released](#) a report entitled "[Facing Facts: Best Practices for Common Uses of Facial Recognition Technologies](#)." The report focuses on

privacy concerns associated with facial recognition technology, which is becoming increasingly ubiquitous across a variety of commercial applications ranging from search engines to video games to password authentication. [Continue reading...](#)

Live from Uruguay: Hustinx Discusses Draft EU Data Protection Regulation October 24, 2012

On October 24, 2012, Peter Hustinx, the European Data Protection Supervisor, speaking at the 34th [International Conference of Data Protection and Privacy Commissioners](#) in Uruguay, called the proposed EU Data Protection Regulation an “ambitious” undertaking, designed to achieve three goals.

First, Hustinx said the regulation is intended to provide the structure for European data protection for at least the next 20 years.

Second, the draft regulation will eliminate the wide variety of requirements that has resulted from the current EU Data Protection Directive’s being transposed into national law in 27 member states. [Continue reading...](#)

Live from Uruguay: Opening Session Focuses on Children October 23, 2012

In the opening session of the [34th International Conference of Data Protection and Privacy Commissioners](#), Conference Executive Committee Chair and Article 29 Working Party President Jacob Kohnstamm [introduced](#) this year’s conference. He noted that the topic of this year’s closed session will be profiling. Kohnstamm also indicated that future DPA conferences would focus on the closed session, which typically is comprised of current and former data protection authorities. Among the speakers in the 2012 closed session is [Professor Fred H. Cate](#), Senior Policy Advisor for the [Centre for Information Policy Leadership](#) at Hunton & Williams LLP. [Continue reading...](#)

FTC Announces Settlement Related to a Web Analytics Company Deceptive Practices October 23, 2012

On October 22, 2012, the Federal Trade Commission [announced](#) a proposed settlement agreement with Compete, Inc. (“Compete”), an online market research company that collects clickstream data from consumers to generate and sell analytical reports about consumer behavior on the Internet. [Continue reading...](#)

Colombia Enacts Data Protection Law October 19, 2012

On October 17, 2012, Colombia enacted a new omnibus data protection law known as [Ley 1581 del 17 de octubre de 2012 por el cual se dictan disposiciones generales para la protección de datos personales](#). The law contains significant notice and consent requirements, special provisions for the processing of children’s data, European-style data subject rights ([e.g.](#), access

and correction), special obligations applicable specifically and directly to service providers, a registration requirement and cross-border data transfer restrictions. The law also provides for the creation of a data protection authority within the [Superintendency of Industry and Commerce](#).

Canadian and German Data Protection Authorities Sign Collaboration Agreement October 18, 2012

On October 15, 2012, Privacy Commissioner of Canada Jennifer Stoddart and the Federal Commissioner for Data Protection and Freedom of Information in Germany, Peter Schaar, [signed an agreement](#) to increase intra-authority collaboration between their organizations. The agreement covers the exchange of information between the two data protection authorities, for example by informing each other of pending complaints. Notably, the agreement also addresses coordination between the DPAs with respect to their supervision of international data processing activities. [Continue reading...](#)

Singapore Parliament Passes Personal Data Protection Act October 17, 2012

On October 15, 2012, the [Singapore Parliament](#) passed the Personal Data Protection Act 2012. Though [a law has been under discussion](#) for quite some time, this bill was [introduced](#) before Parliament only recently, in September of this year. The new law will apply only to data processing in the private sector as data processing by public agencies (or organizations acting on behalf of public agencies) are already subject to internal government rules. Reportedly, the bill will become law in January 2013, enforceable after 18 months, in mid-2014. [Continue reading...](#)

Equifax and Its Customers to Pay \$1.6 Million to Settle FTC FCRA Enforcement Action October 16, 2012

On October 10, 2012, the Federal Trade Commission [announced](#) that consumer reporting agency [Equifax Information Services LLC](#) ("Equifax") and several of its customers, including [Direct Lending Source, Inc.](#) ("Direct Lending"), have agreed to pay a combined total of nearly \$1.6 million to settle FTC allegations that they violated the Fair Credit Reporting Act ("FCRA") in connection with the sale of data regarding consumers in financial distress. According to the FTC, Equifax sold Direct Lending and its affiliates lists of individuals who met selected criteria (known as "prescreened lists"); the lists contained information such as credit scores and mortgage payment status. In its complaint, the FTC alleges that Direct Lending and its affiliates did not have a legally permissible purpose under the FCRA to obtain the prescreened lists because they had no intention to use the lists to make firm offers of credit. Instead, these entities allegedly resold the lists to third parties that used the lists for marketing purposes. The FTC alleges that Equifax had inadequate procedures to prevent this from happening and that it failed to properly investigate when it learned that Direct Lending was engaged in these activities. [Continue reading...](#)

Hunton & Williams Recognized Among Top Internet, E-Commerce and Data Protection Firms

October 16, 2012

Hunton & Williams LLP is pleased to announce that five attorneys of the firm's [Privacy and Data Security](#) practice group have been named as "*The International Who's Who of Internet, E-Commerce & Data Protection Lawyers*" in 2012. They include partners [Lisa J. Sotto](#), [Wim Nauwelaerts](#) and [Bridget Treacy](#), Senior Attorney [Rosemary Jay](#) and Associate [Dr. Jörg Hladik](#). *Who's Who* notes that "[t]he 'cross-disciplinary' and 'client-focused' Hunton & Williams LLP performs well, with a total of five lawyers selected from its 'sophisticated' IT and data protection practice. The firm establishes a strong global presence, with outstanding practitioners identified in both Europe and the US."

The research for the [Who's Who guide](#) is based on "comprehensive, independent survey work with both general counsel and private practice lawyers worldwide."

Article 29 Working Party Provides Further Input on EU Data Protection Reform Discussions

October 11, 2012

On October 5, 2012, the Article 29 Working Party (the "Working Party") issued an [Opinion](#) providing further input on the recent data protection reform discussions in the EU. The Opinion follows the Working Party's [first Opinion](#) on the [EU data protection reform proposals](#) issued on March 23, 2012. [Continue reading...](#)

Recent Federal Government Activity on Cybersecurity

October 8, 2012

The absence of congressional action on cybersecurity legislation has spurred efforts by various entities to exert influence over cybersecurity policy. This [client alert](#) focuses on some of those efforts, including the Federal Energy Regulatory Commission's ("FERC's") creation of a new cybersecurity office, North American Electric Reliability Corporation ("NERC") action on cybersecurity Critical Infrastructure Protection ("CIP") standards, continuing legislative developments concerning cybersecurity and anticipated White House executive orders on cybersecurity. [Continue reading...](#)

Artist Arena Agrees to Settle FTC COPPA Violation Charges

October 5, 2012

On October 4, 2012, the Federal Trade Commission [announced](#) that Artist Arena LLC ("Artist Arena"), an operator of fan websites for several popular recording artists, agreed to settle charges that it violated the Children's Online Privacy Protection Act ("COPPA") and the FTC's COPPA Rule ("the Rule") by improperly collecting personal information from children under the age of 13 without first obtaining verifiable parental consent. The settlement will impose a \$1 million penalty on Artist Arena, bar future violations of the Rule and require deletion of the information collected in violation of the Rule. [Continue reading...](#)

California Regulates Employer Access to Employees' Social Media October 5, 2012

As reported in the [Hunton Employment & Labor Perspectives Blog](#):

Employees use social media extensively in communication for personal and business reasons. Employers are increasingly monitoring this use, and insisting on access to some of the more popular sites. California took notice of this trend and passed legislation to protect employee privacy. On September 27, 2012, Governor Edmund G. Brown Jr. [signed AB 1844](#) making California the third state to limit access to employees' social media account, joining Maryland and Illinois. [Continue reading](#)...

Peru Issues Draft Regulation to Implement Data Protection Law October 5, 2012

On September 22, 2012, the Peruvian Ministry of Justice and Human Rights issued a [draft regulation](#) to implement Peru's new Personal Data Protection Law. The comment period expires on October 5, 2012; however, the U.S. Department of Commerce's International Trade Administration has requested an extension to allow additional time for comments. The [Centre for Information Policy Leadership at Hunton & Williams LLP](#) is considering high-level comments on the draft regulation. It is thought that Peru may intend to issue the final regulation prior to the [34th International Conference of Data Protection and Privacy Commissioners](#), which will take place on October 23, 2012, in Uruguay.

View the [draft regulation](#) (translated in English), which was provided by the Department of Commerce.



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