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In the Matter of InMarket Media, LLC,) L O H 1 R

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practices, significantly increases the risk that the sensitive location data would be disclosed or misused, causing harm to consumers.

The Commission count complaint alleges that Respondent violated Section 5(a) of the FTC Act by (1) unfairly collecting and using consumer location data from its own apps, (2) unfairly collecting and using consumer location data from third party apps, (3) unfairly retaining consumer location data, and (4) deceptively failing to disclose use of location data.

With respect to the first count, the proposed complaint alleges that Respondent failed to fully disclose to users of the InMarket apps the purposes for which the users be used, such as the creation of consumer profiles and targeting for advertising. As a result, the proposed complaint alleges that Respondent caused or is likely to cause consumers substantial injury in the form of loss of privacy about their day-to-day movements, and a related increased risk of disclosure of such sensitive data.

With respect to the second count, the proposed complaint alleges Respondent collected location data from third-party apps that incorporate its SDK without taking reasonable steps to verify that the consumers were informed that their data would be shared with InMarket and used to develop consumer profiles to target them with advertising. The proposed complaint alleges that this collection of location data without consent verification caused substantial injury to consumers in the form of loss of privacy about their day-to-day movements, and a related increased risk of disclosure of such sensitive data. InMarket primary mechanism for ensuring that consumers have provided appropriate consent is through contractual requirements with its third-party app partners. However, contractual provisions, without additional safeguards, are insufficient to protect consumers

With respect to the third count, the proposed complaint alleges that Respondent retained detailed, sensitive information about consumers for up to five years, which is longer than reasonably necessary to fulfill the purpose for which that information was collected. As a result, the proposed complaint alleges that such retention caused or is likely to cause substantial injury in the form of loss of privacy about day-to-day movements of consumers, and an increased risk of disclosure of such sensitive data.

With respect to the fourth count, the proposed complaint alleges that Respondent failed to inform consumers about its location data use practices. Respondent represented that its apps would use the user related activities such as earning extra points when walking into stores. Instead, InMarket has supplemented that data with information about users it purchased from other sources, shared that information with third parties for advertising purposes, and has used that information to develop predictions about consumer behavior and characteristics. The proposed complaint alleges that these facts would be material to consumers when deciding whether or not to grant location permissions to InMarket and their omission was therefore a deceptive act or practice.

requires that Respondent confirm that consumers provide consent and create and maintain records of SDK suppliers' assessment responses. Finally, Respondent must cease from using, selling, or disclosing location data for which consumers do not provide consent.

Provision 9, requires that Respondent provide a simple, easily-located means for consumers to withdraw any consent provided and Provision 9, , , requires that Respondent cease collecting location data within 7 days after Respondent receives notice that the consumer has withdrawn their consent.

3 U R Y L V, R Q, requires Respondent to provide a simple, easily-located means for consumers to request that Respondent delete location data that Respondent previously collected and to delete the location data within 30 days of receipt of such request unless a shorter period for deletion is required by law.

3 U R Y L V, R Q, requires that Respondent (1) document and adhere to a retention schedule for the covered information it collects from consumers, including the purposes for which it collects such information, the specific business needs, and an established timeframe for its deletion, and (2) prior to collecting or using new type of information related to consumers that was not previously collected, and is not described in its retention schedule, update its retention schedule.

Provision ; , requires Respondent to provide a notice to each consumer whose location data was collected through the Respondent apps without Affirmative Express Consent, either via email or in the app itself, notifying the consumer about InMarket settlement with the Commission.

3 U R Y L V, R Q, requires that Respondent delete or destroy all historic location data. Respondent has the option to retain historic location data if it has obtained affirmative express consent or it ensures that the historic location data is deidentified or rendered non-sensitive.

3 U R Y L V, L, R Q, requires Respondent to establish and implement, and thereafter maintain, a comprehensive privacy program that protects the privacy of consumers

3 U R Y L V, R Q, V, are reporting and compliance provisions, which include recordkeeping requirements and provisions requiring Respondent to provide information or documents necessary for the Commission to monitor compliance.

Provision X VIII states that the Proposed Order will remain in effect for 20 years, with certain exceptions.

The purpose of this analysis is to facilitate public comment on the Proposed Order, and it is not intended to constitute an official interpretation of the complaint or Proposed Order, or to modify the Proposed Order