

Good afternoon. My name is Clark Rector. I am the executive vice president of government affairs for the American Advertising Federation. AAF is the umbrella association for the advertising industry. Our membership represents all aspect of the advertising industry, including major corporations and 35,000 advertising professionals in 160 local advertising federations nationwide.

AAF is supportive of a national privacy and data security law. We believe Congress is the appropriate body to pass such a law. We have and continue to encourage them to do so. As Congress deliberates, we believe it is premature for the FTC to initiate rulemaking. In light of the Supreme Court's decision in *West Virginia vs. EPA* there is a question as to whether the agency has the authority to move forward, but I will leave to others with more expertise to analyze that question.

The AAF does believe that when a national privacy law is passed, the Federal Trade Commission is the appropriate enforcement agency. We have long been supportive of the agency's actions to combat false and deceptive advertising and know that your work against bad actors benefits not just consumers, but the vast majority of honest businesses as well.

As to the content of the ANPR, we are disappointed that there is no mention of the many benefits that come with the responsible use of data and data-driven advertising. In short,

- Data-driven advertising supports a competitive online marketplace and contributes to strong economic and job growth
- It allows small, local and niche businesses to grow and find potential customers nation- and even worldwide
- Responsible data-driven advertising helps fund the Internet and free content for consumers. Loss of advertising revenue means much of that free content could go to a subscription-based model, which the Commission has acknowledged many consumers likely would not be able to afford

Studies have shown that consumers are comfortable with data-driven advertising and more than half desire relevant ads.

We urge you to be mindful of these benefits and not take any actions that will harm a beneficial, safe and successful online marketplace supported by the responsible use of data and data-driven advertising.

Thank you for consideration of our comments.