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INTELLECTUAL PROPERTY,
COMPETITION, AND THE INTERNET

SEAPOWERS AND PROJECTION FORCES

EMERGING THREATS AND CAPABILITIES

February 21, 2013

Mr. Larry Page
Co-Founder and Chief Executive Officer
Google, Inc.
1600 Amphitheatre Parkway
Mountain View, CA 94043

Dear Mr. Page,

A developer recently discovered that Google discloses a person's name, address, city, and email address when they purchase an application ("app") through Google Play.¹ Although Google's Wallet Privacy Notice clarifies that information sharing may be necessary to process transactions,² this policy raises several concerns regarding consumer privacy.

The App Economy is one of the fastest growing industries in recent memory. This ecosystem's meteoric rise has accounted for thousands of jobs and billions in revenue since 2008. But we must find the right balance between innovation and responsibility. Through AppRights—my bottom-up mobile privacy initiative—I have heard from many consumers who want greater transparency, control, and security on their mobile devices. I have also worked with the developer community to strike a balance that promotes trust on mobile devices without impeding innovation or functionality. Privacy is an issue that should unite us, not drive us apart.

Developers enjoy a vibrant and responsive relationship with consumers through Google Play. This relationship allows developers to clarify questions, resolve disputes, and enhance users' experiences. As part of digital transactions through Google Play, Google shares customers' billing information with developers. It is unclear how sensitive this information is, but some developers have reported receiving broad categories of personal data, which sometimes includes a physical address. Although online payment processing typically involves sharing information, broadly sharing a person's physical address in digital transactions raises three serious concerns: physical harm to consumers and the chilling of speech, endangering children's safety online, and the security of personal information.

¹ Jessica Guynn, *Google Play Developer Complains that Google Sends Him Buyer Data*, L.A. TIMES (Feb. 13, 2013) <http://www.latimes.com/business/technology/la-fi-tn-google-play-reportedly-sends-buyer-data-to-apps-developers-20130213,0,3756744.story>.

² Google Wallet Privacy Notice, GOOGLE WALLET, <http://wallet.google.com/files/privacy.html> (last visited on February 19, 2013).

First, sharing certain personal information like a physical address may harm consumers. In the past, unscrupulous sellers have used physical addresses to threaten consumers who posted negative reviews of products or services online.³ According to an article in the *New York Times* in 2010, an online vendor of physical items used consumer information to threaten women who complained about overcharges and abusive customer service. In one instance, the vendor sent a photograph of the woman's apartment with an email that warned "I AM WATCHING YOU!" to discourage further complaints. Although that instance involved a clear and present threat, the mere knowledge that criticizing an app is potentially harmful is also a threat to free and unencumbered speech. The harms of this chilling effect go beyond consumers. Developers use criticism and comments to improve products, resolve disputes, and grow as a company as they tinker with apps to improve them.

Second, sharing physical addresses may endanger the safety of children online. Many parents allow young children to use their parents' mobile device for safety or financial reasons. It may concern or surprise these families to discover that their child's purchase of an app aimed to children also provides the child's address. Beyond eclipsing parents' expectations for children's privacy on mobile device, these circumstances could also give rise to devastating harms.

Finally, over-sharing personal data may pose security risks. A third party may use paid apps that are purchasable through Google Play to cull personal data— physical location or otherwise—for identity theft. Just as a consumer has notice when an app uses their geolocation, they should also have notice when their address is shared.

None of these concerns suggest that developers or mobile marketplaces have exploited or misused personal data. It is important to note that Google has worked tirelessly to create a secure marketplace to benefit consumer transactions. Likewise, it was a developer who brought attention to this matter, while the Internet community debated these privacy concerns through the online forum Reddit.⁴ Congress' strong interest in preventing these harms is equal to the interests of the mobile ecosystem in building consumer trust.

Please clarify the scope and nature of information sharing so that I may better understand consumers' expectations and protections when purchasing apps through Google Play.

- (1) Unlike some competitors in the mobile app ecosystem, Google acts as a marketplace for developers to exchange goods and services with consumers.
 - a. Please describe how an open marketplace benefits consumers.
 - b. How does a consumer's experience on Google Play via a mobile device compare with their experience purchasing goods in other marketplaces?
- (2) Please discuss the types of information shared with developers through Google Wallet.

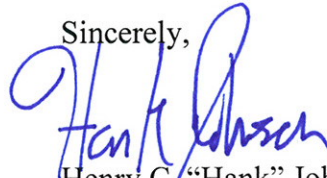
³ David Segal, *A Bully Finds a Pulpit on the Web*, *The New York Times*, N.Y. TIMES (Jan. 26, 2010), <http://www.nytimes.com/2010/11/28/business/28borker.html?pagewanted=all>.

⁴ Every Time You Purchase an App on Google Play, Your Name, Address And Email is Passed on to the Developer, It Has Been Revealed Today, REDDIT TECHNOLOGY, http://www.reddit.com/r/technology/comments/18ge42/every_time_you_purchase_an_app_on_google_play/ (last visited on February 19, 2013).

- a. How is this information necessary for developers to process transactions?
 - b. What other purposes does sharing this information serve?
 - c. How is the breadth of information shared proportionate to Google's need to share it?
 - d. Have any harms or breaches of trust occurred because of this sharing?
- (3) The Google Wallet Privacy Policy states that it only shares information with third parties like developers as permitted under the Google Privacy Policy or as necessary for transactions.
- a. What is the process for the consumer to obtain notice in this statement or in the Google Privacy Policy?
 - b. Is there a moment during purchasing an app where they learn that their address is disclosed as part of purchasing an app through Google Play?
 - c. Was this also the policy for payment processing before Google Play?
- (4) The Google Wallet Privacy Policy states that Google is not responsible for how developers or other third parties choose to use or share consumer information.
- a. What precautions does Google take to avoid harmful uses of the consumer's data by third parties?
 - b. Are there any mechanisms in place to mitigate the exploitation of data by third parties?

As a Member of Congress interested in privacy on the internet, I request that you respond to these questions. Please provide the information requested in writing no later than February 28, 2013. If you have any questions regarding this request, please contact Slade Bond at (202) 225-1605.

Sincerely,



Henry C. "Hank" Johnson
Member of Congress