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Tracking of Web Use by Marketers Gains Favor

By [LOUISE STORY](#)

It seems that the Federal Trade Commission is not slowing down the online advertising party.

Just days after a commissioner at the agency expressed concern about consumer privacy on the Internet, two large social networking sites are showcasing new ways to use information about their members to deliver specialized advertisements.

[MySpace](#) will announce today that more than 50 large advertisers, including Ford and Taco Bell, are using its so-called HyperTargeting ad program, which scours user profiles for interests and then delivers related ads. And, within the next few days, [Facebook](#) is widely expected to announce a new advertising system that will be based on data from its members' profiles.

The MySpace announcement is unrelated to the recent F.T.C. hearings on online advertising — rather, it was timed to the start of Ad:Tech, a digital advertising conference in New York, according to Michael Barrett, chief revenue officer for Fox Interactive Media, the unit of the [News Corporation](#) that includes MySpace. MySpace is also announcing a self-service site where small and midsize advertisers can buy custom display ads on the site.

Privacy advocates said they were surprised how quickly online companies came back to the market promoting their targeting programs.

“Despite all of the assurances that the industry gave to regulators and the public, it sounds as if their business plans sort of fly in the face of the promises to operate without exploiting young people,” said Kathryn Montgomery, a professor at American University and author of the book “Generation Digital: Politics, Commerce, and Childhood in the Age of the Internet.”

“If you are hanging out with your friends and talking about who you are, what rock stars you like, and so on, you don't assume that someone is sitting there and taking down every word you're saying and putting it into some kind algorithm,” she said.

MySpace was notably absent from the panels at the F.T.C.'s forum on behavioral targeting held in Washington last week. Executives from [Google](#), [Yahoo](#), [Microsoft](#), the [AOL](#) unit of [Time Warner](#) and Facebook discussed their privacy policies, but MySpace sent representatives on only to watch the forum, not to speak. A spokeswoman from MySpace said the company would be active in discussions about privacy.

The forum was the agency's first public workshop on online advertising in eight years, and officials from the agency expressed concern that marketers and Internet companies might be infringing on people's privacy in some of the way they use online data to aim their ads.

"People should have dominion over their computers," said Jon Leibowitz, an F.T.C. commissioner. "The current 'don't ask, don't tell' in online tracking and profiling has to end."

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