

Data Privacy Legal Battles Are Heating Up

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Earlier this month, Cambridge Analytica pleaded guilty to violating European data laws after the firm refused to disclose how much data it held on David Carroll, a Parsons professor who has been entangled in a legal battle with Cambridge Analytica since 2017. The verdict adds insult to injury after Cambridge Analytica already filed for bankruptcy last year, when it got ensnared in a scandal over how it utilized Facebook user data for political campaigns.

"Before Cambridge Analytica, the prevailing wisdom was, 'Big data and big tech could do no wrong," Carroll said. "After the scandal broke, the attitude dramatically shifted to 'What wrongs are big tech and big data doing?"

The suit against Cambridge Analytica has been followed by other fines levied against high-profile tech firms. In the second half of January, regulators and privacy advocates have been active in policing how large organizations utilize personal data.

Recent Data Controversies

On January 21, data regulators in France fined Google €50 million (\$57 million) for violating the General Data Protection Regulation (GDPR),



which is an EU law that stipulates that a user's data can only be used if they give a company explicit permission. The fine is the largest yet since the GDPR became enforceable on May 25, 2018.

- The Federal Trade Commission (FTC) is considering fining Facebook for violating an agreement to protect the privacy of people's personal data, according to a January 18 report by The Washington Post. The FTC's largest fine to date is a \$22.5 million fine against Google in 2012. The Post's reporters expect the fine against Facebook to be the largest in FTC history.
- The American Civil Liberties Union (ACLU) filed a lawsuit on January
 17 against seven government agencies for using social media as a surveillance tool.

What It Means for Marketers

Data breaches remain prevalent and consumers have grown to distrust how their personal data is used. Meanwhile, regulators gotten more stringent about imposing fines on violators of data privacy laws. The rising demand for stronger tech regulation has led some to speculate that the data gathering practices of smart TVs will face stiffer scrutiny.

Marketers should take notice of these trends. More than four in 10 of the 226 worldwide CMOs surveyed in September 2018 by <u>Forbes</u> <u>Insights and The Trade Desk</u> said that protecting customer data was their top data-related challenge.





Carroll said that the need of multiple lawyers over two years to get Cambridge Analytica to officially address his request is telling, and he still hasn't gotten all of his personal data back from the company.

"It shows why we need data rights," he said. "In fact, data crimes are real crimes and data rights are the new civil rights."

