

NAI Seeking Public Comment on Revised Code of Conduct Through April 5, 2013

Updates Reflect Latest Best Practices for Data Collection by Ad Technology Companies

WASHINGTON, DC – March 1, 2013 – The Network Advertising Initiative (NAI) today announced the release of its revised draft Code of Conduct, with updates to reflect current industry best practices for data collection by companies engaged in interest-based advertising and related practices. The NAI Code of Conduct is a set of self-regulatory principles that all NAI member companies must agree to follow. The draft code was developed by NAI staff in consultation with a working group composed of dozens of member companies. The NAI is now seeking comment from stakeholders outside of the NAI.

The revised code would require NAI member companies to provide notice in and around the targeted ads they serve. The updated code, like the current NAI code, also limits the uses NAI members may make of data collected for interest-based advertising and ad delivery and reporting purposes, explicitly forbidding members from using such data (or allowing it to be used) for eligibility decisions. In addition, the draft code codifies current NAI policies requiring members to disclose any standard interest segments that are based on health-related interests or conditions and to use technologies that provide users with an appropriate level of transparency and control. Finally, the revised code contains new, comprehensive education and guidance for member companies on how to meet the obligations of the code, and makes clear the duty of member companies to cooperate with NAI staff in investigations and sanction proceedings.

Certain aspects of the draft code remain unchanged. The revised code will continue to impose heightened notice and choice obligations for the merger of personally identifiable information (PII) with non-PII. The draft code continues to require member companies to educate users about interest-based advertising, to provide reasonable security for the data they collect, and to impose restrictions on the transfer of data collected for interest-based advertising and ad delivery and reporting purposes. Finally, the draft code continues to impose data retention requirements on member companies, and requires members to disclose how long they retain data collected for interest-based advertising purposes.

"To be effective, self-regulation must constantly evolve with the online advertising industry's business models and technologies," said Marc Groman, Executive Director of the NAI. "With this revision to its Code of Conduct, the NAI seeks to ensure that its members continue to implement, honor, and maintain strong standards while also enabling the NAI to remain flexible enough to welcome all ad technology companies and accommodate both existing and emerging third-party business models and practices."

The NAI welcomes the suggestions and feedback of all stakeholders on this draft code, and will accept public comment through April 5, 2013. At that time, the NAI will finalize the revised code





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and begin educating members on the requirements of the 2013 Code of Conduct. For more information, visit: https://www.networkadvertising.org/code-enforcement/draft-code.

About the NAI

Founded in 2000, the Network Advertising Initiative (NAI) is the leading self-regulatory association comprised exclusively of third-party digital advertising companies. The NAI promotes the health of the online ecosystem by maintaining and enforcing high standards for data collection and use for online advertising purposes. The organization also educates and empowers consumers to make meaningful choices about their experience with online advertising through an easy-to-use opt-out mechanism. To learn more, visit http://www.networkadvertising.org.

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