

MARKETING

Verizon, AT&T attempt to head off private data scandal on lines of Facebook

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Wireless carriers Verizon and AT&T announced this week that they will stop selling real-time phone-location data to data brokers who then resell the data to third parties. It is likely that other major carriers including T-Mobile and Sprint will soon follow suit.

Verizon's decision which was immediately followed by AT&T resulted from Senator Ron Wyden's (D-OR) scrutiny of their practice of selling consumers' geo-location data to brokers.

All dialed in

This decision also follows on the heels of the Facebook scandal involving the use by Cambridge Analytica of private user data to influence the 2016 election and as well as Facebook's recent acknowledgement that it had sold private user data to four Chinese companies including Huawei, which especially is considered a national security threat by U.S. officials.

Facebook sought to minimize the scandal with "Mark Zuckerberg's apology tour" and testimony before Congress and the European Union along with the announcement that it was releasing "Clear History" to help users protect their privacy.

Verizon and AT&T are attempting to head off a private user data scandal similar to what Facebook has been going through. Time will tell how their actions will be perceived.

Initially, it appears that Sen. Wyden's inquiry revealed some significant privacy concerns including the fact that one of the brokers who bought the data from Verizon was not verifying that its users specifically law enforcement agencies had legal authority to access and use the data.

It remains to be seen who else had access to this data and what other private user data Verizon, AT&T and the other carriers collected or sold.

The reality of today's world is that the vast majority of us use our smartphones on a daily, if not hourly, basis. The

devices are with us 24/7.

While these devices offer tremendous benefits in terms of convenience and connectivity, they also regularly transmit private user data to the carriers and other tech companies through browsers and applications.

The wireless carriers are not the only ones who know where you are, where you have been and often where you are going.

All mapped out?

Google Maps is a lifesaver for many of us who are directionally challenged, but it tracks the same location data that Verizon and AT&T were tracking.

Google has not revealed what it does with that data. There probably is significant soul searching going on at Google right now and probably at many other tech companies as well.

Unfortunately, there are no simple answers to these questions.

User licenses as well as the terms and conditions on company Web sites may answer these questions, but do consumers actually read them?

I do not believe that government regulation prohibiting the collection, storage or sale of private user data is the answer because any aggressive regulation would have the negative effect of stifling innovation, which benefits nobody.

TECH COMPANIES need to be transparent about what private user data they collect and what they do with it.

Maybe some limited regulation can help push the tech industry to be more transparent, but it must be limited.

Equally important, consumers need to pay attention to who has access to their private data and be diligent about taking active steps to protect it.

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