



Office of the Secretary

UNITED STATES OF AMERICA  
FEDERAL TRADE COMMISSION  
WASHINGTON, D.C. 20580

February 20, 2013

Mr. Steve Fleckenstein  
Commonwealth of Virginia

*Re: In the Matter of Compete, Inc., File No. 1023155, Docket No. C-4384*

Dear Mr. Fleckenstein:

Thank you for your comment regarding the Federal Trade Commission's consent agreement in the above-entitled proceeding. The Commission has placed your comment on the public record pursuant to Rule 4.9(b)(6)(ii) of the Commission's Rules of Practice, 16 C.F.R. § 4.9(b)(6)(ii), and has given it serious consideration.

Your comment states that Compete, Inc. "has flagrantly violated privacy of its users, compromised users personal and confidential information (PCI), and failed to live up to previous promises regarding privacy." Accordingly, your comment questions whether, in agreeing to terms of a settlement with the company, the Commission is simply accepting another "promise regarding user privacy" or whether an additional remedy is warranted.

We believe that the proposed order contains strong, enforceable relief. The proposed order will be in effect for 20 years, and requires the company to maintain a comprehensive information security program that is reasonably designed to protect the security, confidentiality, and integrity of personal information collected from or about consumers. It also requires the company to obtain assessments and reports from a qualified, objective, independent third-party professional regarding online services, certifying, among other things, that: (1) the company has in place a security program that provides protections that meet or exceed the protections required by the order; and (2) its security program is operating with sufficient effectiveness to provide reasonable assurance that the security, confidentiality, and integrity of sensitive consumer information has been protected. The order also includes reporting and record-keeping provisions that allow the Commission to monitor the company's compliance with the order. Furthermore, once a settlement is finalized, violations of any provision of the order, including the provision prohibiting misrepresentations about the extent to which respondent collects, maintains and protects the security, privacy, confidentiality, or integrity of any information collected from or about consumers, could subject the company to civil monetary penalties of up to \$16,000 per violation.

In light of these considerations, the Commission has determined that the public interest would best be served by issuing the Decision and Order in final form without any modifications. The final Decision and Order and other relevant materials are available from the Commission's website at <http://www.ftc.gov>. It helps the Commission's analysis to hear from a variety of sources in its work. The Commission thanks you again for your comment.

By direction of the Commission, Chairman Leibowitz and Commissioner Wright not participating.

Donald S. Clark  
Secretary