

**STATEMENT OF CHAIRMAN JOHN McCAIN
FOR THE HEARING ON
ONLINE PROFILING AND INTERNET PRIVACY
SENATE COMMERCE COMMITTEE
June 13, 2000**

This morning, the Committee will hear testimony on online profiling done by Internet network advertisers and how it impacts consumer's privacy. I welcome and thank all of the witnesses we will hear from today. Your testimony will help the Committee gain a better understanding of the issues involved and the appropriate action the Committee should take.

As has been said so often, the Internet continues to transform our lives and our economy. Each day more and more Americans access the web to shop, read the news, find a job or for a variety of other reasons. The Internet continues to offer great opportunities to consumers, but it also raises concerns about individual privacy.

Online profiling and specifically profiling done by network advertisers raises serious privacy concerns among many consumers. Through the use of cookies and other technologies network advertisers have the ability to collect and store a great deal of information about individual consumers. They can track the web sites we visit; the pages we view in web sites; the time and duration of our visits; terms entered into search engines; purchases; response to advertisements and the page we visited before coming to that site. All of this information can be collected without clicking on an advertisement.

In fact, often this information is collected without the consumer's knowledge or consent. The FTC noted in its May report on online privacy that just 22% of web sites that allow the placement of third party cookies provide notice to consumers. Recently, *USA Today* noted in a May 1st article that even when consumers are aware of this practice, it can be extremely difficult to opt-out of the collection of this data.

While online profiling raises serious privacy concerns, some consumers desire this service and benefit by receiving targeted advertisements that appeal to them. What we must find in the delicate balance between benefiting consumers and invading their privacy. I am hopeful that today's witnesses will help us eventually find that balance.

I look forward to your testimony and to working with all of you to address this vital issue.

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