

Client Alert.

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The Shrinking Privacy Law Enforcement World: FTC Develops Global Privacy Law Enforcement Architecture

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On September 21, 2010, the Federal Trade Commission announced the latest piece in an ever-more elaborate international privacy enforcement architecture, built on a foundation of international information sharing, that has the potential to dramatically increase multi-jurisdictional enforcement of privacy laws in coming years.

The foundation of international information sharing was laid in late 2006, when Congress passed the Undertaking Spam, Spyware, And Fraud Enforcement With Enforcers beyond Borders Act of 2006 (the "Safe Web Act") to help the Federal Trade Commission combat cross-border fraud by, among other things, giving it the authority to share information and otherwise cooperate with its foreign law-enforcement counterparts. At the time, the then-chairman of the FTC praised the Act's passage, saying, "Just as today's marketplace has gone global, so have scams and deception."

Over the past several years the Federal Trade Commission has actively used its powers under the Safe Web Act to work with foreign law-enforcement agencies in cross-border investigations of consumer law violations, typically involving fraud or deception. *Now, however, the Commission has developed a framework to engage in the same type of international cooperation with respect to enforcement of privacy laws.*

In July, the FTC announced that it was advancing its use of the Safe Web Act by joining a network of privacy enforcement authorities from 21 members of the Asia Pacific Economic Cooperation forum. The network agreement provides for cooperation on enforcement investigations, including information sharing. On September 21, the FTC announced that, together with privacy enforcement authorities from Australia, Canada, France, Germany, Ireland, Israel, Italy, The Netherlands, New Zealand, Spain, and United Kingdom, it had launched the Global Privacy Enforcement Network ("GPEN").

GPEN's goal is to facilitate cooperation in cross-border enforcement of privacy laws. GPEN's action plan, available on its recently unveiled [website](#), stresses that cooperation will focus on the practical aspects of privacy law enforcement, and the organization invites authorities from other countries to join.

Of interest to companies doing business internationally, these developments indicate that regulatory agencies around the world are trending toward parallel, multi-jurisdictional enforcement, all built on a new sharing of information gathered through investigations. *Thus, a company under investigation in one country is now more likely to find itself under investigation in another, even if those countries have different privacy standards.* We expect this trend to continue in coming years.

For more information on this topic and other privacy matters, please contact [Reed Freeman](#).

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