

Appendix 5 – Consumer Action’s Application for *cy pres* Funds in *In Re: Google Buzz Privacy Litigation* (submitted to the Rose Foundation Mar. 14, 2011)

Application Coversheet

1. Name of Applicant Organization and EIN Number:
Consumer Action EIN 237172908
 Type of organization: x 501c(3) o Other - *Please describe:*
2. Contact Information:

Contact Person, Title Ken McEldowney, Executive Director
 Address 221 Main St., Suite 480
 San Francisco, CA 94105
 Telephone (415) 777-9648/510-333-4886 (cell)
 Email ken.mceldowney@consumer-action.org
3. Financial Information:
 - a) your organization’s overall annual 2011 operating budget-\$3.2 million
 - (b) total amount of money spent on Internet privacy or Internet education programs in 2010-
\$310,000
 - (c) total amount of funding your organization received, if any, in contributions from Google, Inc. or the Google Foundation in 2010-\$10,000/monthly in-kind Google AdWords Grant
 - (d) amount of funding you are requesting from this Settlement fund-
\$1.25 million
4. Briefly describe any of your organization’s existing policy or education programs concerning Internet privacy issues – make sure to include the number of years you have had programming focused on Internet privacy.

A champion of underrepresented consumers nationwide since 1971, Consumer has included Internet privacy as one of our five core issues since 2002. Our Internet privacy educational programs include the creation and dissemination of quality multilingual materials, as well as outreach and training, for community-based organizations (CBOs) to help consumers understand their rights online and protect themselves from fraud and other injuries due to the loss of personal privacy. We are working on Internet privacy education projects supported by Microsoft and Visa. While our staff in DC advocates for privacy protections for all consumers, we focus our policy work on protecting the privacy rights of low-to-moderate income consumers and people of color. We actively work to build constructive dialogues between industry, lawmakers and advocates on privacy policy issues.

5. Briefly describe the particular program that funding from this Settlement would support and describe how it would benefit the Class by furthering policy or education concerning Internet privacy.

Consumer Action seeks a \$1.25 million grant to support a three-year Internet privacy project that includes: the creation and online and offline distribution of more than 250,000 consumer education publications, training of more than 300 CBO staff in five cities on how best to use these materials to provide the Internet privacy of their constituents, Privacy Information website enhancements, a \$150,000 CBO mini-grants program and increased policy work in Washington, DC aimed at bringing together diverse stakeholders in order to build innovative collaborations and solutions to Internet privacy issues. The plaintiff class will benefit from receiving updated, easy-to-read education materials, available both online and offline and translated into key languages, on the most up-to-date topics and issues in Internet privacy—such as using social networking wisely, privacy while using mobile devices, and protecting sensitive information in the cloud. The plaintiff class also will benefit from our policy work to encourage more transparency and control for consumers online.

Send Completed Application Forms To:

grants@rosefdn.org

1. Briefly describe existing policy and education programs concerning Internet privacy issues – make sure to include number of years you have had programming focused on Internet privacy.

Consumer Action has been a champion of underrepresented consumers nationwide since 1971. Internet privacy has been one of our five core issues since 2002, when we formally established our Privacy Information Project.

Since 2002, Consumer Action has supported its privacy work with more than \$1.4 million in grants from the Rose Foundation, the California Consumer Protection Foundation, court settlements (*UCAN v. Bank of America*, *UCAN v. Capital One* and *Rockers v. eBay, Inc.*) and corporate partnerships. In the last three years, we've spent \$800,000 on Internet privacy education and policy. Our programs have had a substantial positive impact on consumers, helping them to become more aware, and thus better able to make educated choices, about the risks and opportunities they may encounter online.

Education - Existing Program

Our Internet privacy education program includes the creation, production and dissemination of quality multilingual materials through our national network of 8,000 community-based-organizations (CBOs)—an extensive reach into the digital divide unrivaled by other organizations serving low-to-moderate income and limited-English-speaking consumers. In addition, we provide direct outreach and training for our CBO partners to ensure their constituents will be able to understand their rights online and protect themselves from fraud and other injuries due to the loss of personal privacy.

Consumer Action has a history of partnering with corporations, like Microsoft and Verizon, to provide non-commercial educational programs to increase consumer knowledge about Internet privacy. Our current partnership with Microsoft, allows us to create materials on Internet safety and privacy to educate consumers on how to protect themselves, their computers, and their children while using the Internet. Last year, a total of 550 CBOs placed orders for 88,000 of this project's publications. We have just started a new project supported by Visa that will focus on mobile and on-line banking privacy.

One of Consumer Action's core strengths—and one that makes us stand out from other groups—is our ability to effectively reach and educate low and moderate income consumers, people of color and people for whom English is not the primary language. All our educational materials are free, translated into multiple languages such as Spanish, Chinese, Korean and Vietnamese, and available both in print and online for broad access. With the support of foundation and cy pres grants, we have created a comprehensive collection of consumer education materials targeting key concerns in privacy, including *Leave Me Alone: Your privacy online and offline*, *Workplace Privacy*, *Freezing Your Credit Report*, *Privacy and Your Credit Report* and *Sensitive Information: Privacy and Your Medical Records*. Since 2002, we have filled more than 5,000 CBO bulk orders for privacy publications to be used in counseling CBO clients and members. In addition, we've created special privacy issues of *Consumer Action News*, our quarterly newsletter reaching 17,000 individual and CBO subscribers, to examine Internet privacy issues from

both educational and policy viewpoints. These newsletters, written in an easy-to-understand and straightforward way, included articles on emerging online scams targeting children and strategies for keeping online data private, and other privacy topics. Consumer Action's support for CBOs working on Internet privacy isn't limited to just providing free publications but includes training and mini-grants. For example, in 2008 and 2009, we held train-the-trainer privacy roundtables in seven cities. Our mini-grants enable our most active network CBOs to create innovative community-based educational programs. By April of this year, we'll have provided \$1 million in mini-grants to support quality community-based work on financial literacy, privacy and telecommunications.

We also help individual consumers via our free, multilingual national hotline service in which trained advocates answer questions and assist consumers on consumer and privacy concerns. Consumer Action's hotline number is included on all of our publications. We provide this assistance through our web site as well.

In 2008, with support from the Rose Foundation, Consumer Action created www.privacy-information.org to offer consumers free, unbiased and multilingual news, books, publications and other privacy information in one central, easy-to-use location.

Policy - Existing Program

Through our policy programs, Consumer Action has advocated for the strongest possible privacy protections for consumers in all aspects of their online lives, including while job searching, banking, seeking out health information, or performing other transactions that involve sensitive data, or just generally as they interact with the World Wide Web. Consumer Action is unique in its policy focus on protecting the privacy rights of low and moderate-income consumers and people of color as well as consumers in general.

Our staff in Washington, DC, focuses on building a constructive dialogue between industry and advocates for consumers on Internet privacy policy issues, meeting with executives from Facebook, Yahoo!, Microsoft, Mozilla and Google, engaging directly with policy makers at the Federal Trade Commission and the Department of Commerce, participating on panels hosted by the Congressional Internet Caucus, Internet Governance Forum and the joint US and European Union consortium TransAtlantic Consumer Dialogue, advocating for consumers through the media in publications like the *New York Times* and *ComputerWorld*, as well as working in coalition with key privacy advocacy groups such as the Center for Democracy and Technology (CDT), Electronic Frontier Foundation (EFF) and Electronic Privacy Information Center (EPIC). Consumer Action is also the *only* consumer organization to sit on the Advisory Board of the Future of Privacy Forum, a forward-thinking policy group in Washington, D.C.

2. Briefly describe the particular program that funding from this Settlement would support and describe how it would benefit the Class by furthering policy and education concerning Internet privacy.

Consumer Action seeks a grant of \$1.25 million for a three-year project to support our Internet privacy educational and policy programs. With the exception of the last year of a three-year Rose Foundation grant for our privacy web site, Consumer Action has spent all of the foundation and cy pres funds it had received supporting our Internet privacy work. The \$1.25 million grant we are seeking will enable us to not only continue our non-corporate supported Internet privacy work but to significantly expand it.

Education - Proposed Program

We will use our Google Buzz settlement grant to continue our past educational work on Internet privacy, as well as to create new and innovative programs. The plaintiff class will benefit from receiving updated, easy-to-read education materials, available both online and offline and translated into key languages, on the latest issues in Internet privacy, such as using social networking wisely, privacy while using mobile devices and protecting sensitive information in the cloud.

The educational part of the project will be divided into four parts:

1. Creation and distribution of consumer education materials (modules)

Consumer Action will create three educational modules on key issues in Internet privacy, entitled *Privacy Friend or Foe? Using Social Networking Wisely*; *Mobile Devices: Privacy 10*; and *Cloud Computing: How secure is your most sensitive data?* The educational modules, written with a keen eye to cultural sensitivity, will include brochures in English, Spanish, Chinese, Korean and Vietnamese, PowerPoint slides, a comprehensive question-and-answer guide, a lesson plan and interactive activities to help CBO staff address the specific needs of their clients. Our network agencies will help us distribute these materials to more than 250,000 consumers.

2. Train-the-trainer workshops

Consumer Action will conduct five regional train-the-trainer meetings in strategically chosen cities around the country. Each regional meeting will host up to 65 participants from a radius of 125 miles around the meeting site. These sessions will be provided completely free of charge and travel and lodging expenses will be reimbursed. Consumer Action staff will train participants on how to best educate their constituents using our Internet privacy materials. These meetings will provide community trainers with the practical tools they need to help their clients effectively protect their privacy while online. Consumer Action will train more than 300 CBO staff.

3. Web enhancements

Consumer Action will significantly expand its Privacy Information web site with several improvements, including: a privacy event calendar, an interactive personal privacy risk assessment tool and integrated Facebook and Twitter feeds to keep consumers informed of pertinent news in real-time. In addition, we will translate our Facebook page and Twitter feeds into key languages to better accommodate the needs of our constituents.

4. Mini-grants

Consumer Action will conduct a mini-grant program for CBOs, making a total of twenty \$7,500

grants. These awards will go to groups committed to developing their own community-based privacy education initiatives using Consumer Action’s Internet privacy materials. The mini-grants will cover the actual education efforts as well as the tracking of students for three-to-six months following the classes to see what steps were taken to protect their privacy.

Evaluation is a critical component to the success of this project. In order to ensure measurable outcomes, we will conduct in-depth evaluation surveys on our trainings and workshops, and track and evaluate CBOs that order our materials and receive mini-grants.

A 3-year timeline for the proposed educational programming is as follows:

Year	Milestone
Y1	<ul style="list-style-type: none"> • Produce module <i>Privacy Friend or Foe? Using Social Networking Wisely</i> <ul style="list-style-type: none"> - How to use popular social networks while protecting personal information • Make interactive enhancements to www.privacy-information.org • Translate our Facebook page and Twitter feeds into key languages • Host 1st train-the-trainer meeting for CBO staff • Conduct program evaluations
Y2	<ul style="list-style-type: none"> • Produce module <i>Mobile Devices: Privacy 101</i> <ul style="list-style-type: none"> - Using mobile devices without revealing sensitive data while making purchases, playing games and utilizing location-based services • Make interactive enhancements to www.privacy-information.org • Host 2nd and 3rd regional meetings • Host 1st round of mini-grant program featuring 10 grantees • Conduct program evaluations
Y3	<ul style="list-style-type: none"> • Produce module <i>Cloud Computing: How secure is your most sensitive data?</i> <ul style="list-style-type: none"> - Protect the sensitivity of your business and personal documents, health records and financial data while in the cloud • Host 4th and 5th regional meetings • Host 2nd round of mini-grant program featuring 10 grantees • Conduct program evaluations and produce evaluation report

Policy - Proposed Program

With support from the Google Buzz settlement, Consumer Action will expand its successful Internet privacy policy work. The plaintiff class will benefit from our work to encourage more transparency and control for consumers online. Consumer Action’s DC office will concentrate on areas of emerging importance in Internet privacy, including privacy protections for mobile devices (as they begin to replace computers as the primary source of Internet traffic), data sharing between social networking and third party applications and the role of browsers and ad networks in furthering innovative policy initiatives such as the “Do Not Track” mechanism. The grant will enable us to have a full time staff person working on consumer-focused Internet privacy policy work.

We will increase our meetings with government officials to discuss the impact of privacy violations on everyday consumers and press for solutions, negotiate with companies like Mozilla and ad networks that have yet to support innovative solutions such as “Do Not

Track,” and work in coalition with other groups to develop best practices for new and emerging concerns in this space, such as Smart Grid, RFID and location-based services. We will also pursue productive collaboration between industry and consumer advocates through our participation on the Future of Privacy Forum Advisory Board and via public outreach at conferences and events. As new privacy tools and services roll out, we would continue to advocate for strong consumer protections – in government and corporate policy – against frauds and scams.