

NETWORK ADVERTISING INITIATIVE RELEASES 2011 COMPLIANCE REPORT; REVIEWS ONLINE ADVERTISING INDUSTRY LEADERS' COLLECTION, USE, AND DISCLOSURE OF DATA USED FOR ONLINE BEHAVIORAL ADVERTISING

Report Confirms High Level Of Member Compliance, Dramatic Increases in Consumer Interest and Detailed Plans for Supplementing Compliance Program in 2012

WASHINGTON, D.C.—FEBRUARY 14, 2012—The Network Advertising Initiative (NAI) today released its 2011 annual compliance report, including a review of its members' collection, use, and disclosure of data for online behavioral advertising (OBA). The report, which is required under the NAI's self-regulatory Code of Conduct, examined member companies' compliance with the NAI Code and found a high level of overall compliance: "on the whole, evaluated member companies fully met their compliance obligations."

The NAI is a leading self-regulatory organization for companies in the online advertising marketplace including 24/7 Real Media, Akamai Technologies Inc., AOL Advertising, AudienceScience, BlueKai, Datonics, Dotomi, Google, Microsoft Corporation, ValueClick Inc. and Yahoo! Inc.

"Accountability is a critical part of any self-regulatory program. To be effective, self-regulatory programs like the NAI's must include an ongoing and meaningful compliance process," said Marc Groman, executive director of the NAI. "This year's report once again demonstrates that NAI members take seriously their obligations to provide transparency and choice for online behavioral advertising."

The report includes the following key findings:

- Evaluated member companies do not use, or permit others to use, OBA data for purposes other than marketing, such as for insurance or employment eligibility decisions.
- Evaluated member companies do not specifically target children under 13.
- No evaluated member companies use, or seek to use, sensitive consumer data as
 defined by the NAI Code for OBA purposes. Further, evaluated members are
 bringing increased transparency to all health-related targeting by disclosing all
 interest categories related to health in accordance with the NAI's new health
 transparency policy.
- Evaluated member companies do not collect personally identifiable information (PII) for OBA purposes, and they have policies and protections in place to prevent the inadvertent collection of PII for OBA purposes.



Mr. Groman also noted the increased transparency of OBA. "The NAI now has more than 80 member companies and millions more visitors came to the NAI's website in 2011 than in past years to learn more about online behavioral advertising and the choices available to them." The compliance report announced the following increases in consumer usage of the NAI website over 2010:

- Visits to the NAI website increased by nearly 200%, with nearly 8.5 million unique user visits.
- Of those visitors, approximately 840,000 used the NAI's OBA opt-out tool.
- Traffic to the educational section of the site was more than five times higher, with more than 2.5 million unique visitors.

This increased attention to OBA and the choices available to users were driven by NAI members' efforts to bring greater transparency by contributing more than 4 billion ad impressions to the NAI's educational campaign and through in-ad notice. NAI members now increasingly provide in-ad notice using the Digital Advertising Alliance's "Advertising Options" icon, which is now served more than 10 billion times daily and is quickly becoming ubiquitous.

"While the report found broad compliance with the NAI Code, our compliance program must continue to adapt and expand," continued Groman. In the report, NAI staff recommends that the NAI increase its technical monitoring of member companies and is currently evaluating technical tools to add to its compliance program. To supplement such testing, NAI staff also recommend that member companies be required to report on a regular basis the domains they use for OBA purposes. The NAI also intends to add additional staff dedicated to compliance in 2012.

This was the third annual review of member compliance conducted under the 2008 NAI Code of Conduct, and it covered the sixty companies that have been members of the NAI for at least a year. The compliance report can be found on the NAI website at http://www.networkadvertising.org/pdfs/NAI 2011 Compliance Report.pdf.

About the NAI:

The NAI (Network Advertising Initiative) is a coalition of more than 80 leading online marketing companies committed to building consumer awareness and reinforcing responsible business and data management practices and standards, and which includes all fifteen of the largest online advertising networks in the United States. Its initiatives are piloted by a cooperative of the most significant online advertising companies. As increasingly sophisticated online advertising technologies evolve, the NAI works to enhance consumer confidence through effective self-regulatory practices and user choice. To learn more, visit http://www.networkadvertising.org.



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