

POLITICO PRO

Bono Mack plans online privacy hearing [back](#)

By Tony Romm | 9/30/11 5:32 AM EDT

The House commerce subcommittee led by Rep. Mary Bono Mack (R-Calif.) is aiming to hold a hearing in October on consumer attitudes and expectations regarding online privacy but hasn't yet determined whether to introduce a bill, the lawmaker told POLITICO on Thursday.

The hearing — tentatively set for Oct. 13 — would be the latest in a string of hearings Bono Mack is convening as her panel weighs whether to unveil new rules of the road for Web companies, and if so, how best to tailor them.

That aim in part prompted Bono Mack to spend a few days this week in her home state of California meeting with top tech executives at Apple, Google, Facebook, Intuit and HP, among others. Online privacy is one of the key issues that led Bono Mack to spend a few days visiting tech leaders, including Facebook founder Mark Zuckerberg and chief operating officer Sheryl Sandberg.

"There are already tools out there," said Bono Mack, referring to ways in which consumers can shield their personal information. She said the important question to ask consumers is: "So how do they feel about them?"

The panel will explore at the upcoming hearing whether consumers are taking advantage of those tools, or if they are "forgoing them to enjoy some of the opportunities that you have when you lose a little privacy."

During Bono Mack's meetings in Silicon Valley, other tech leaders connected with the congresswoman on the matter of data security — an area in which the subcommittee chairwoman has already signaled her intent to move legislation requiring companies to boost their safeguards and better notify consumers in the event of a breach.

For now, work continues in Washington to address the concerns of Democrats, who feel Bono Mack's bill is too weak. Yet following her meetings in the Valley, Bono Mack told POLITICO on Thursday she found a "lot of good consensus" among tech stakeholders on a federal data breach rule, as there's a belief that Congress has a "good opportunity to do something that will be pro-consumer, pro-e-commerce and not be overly burdensome."

But privacy, she acknowledged, is "a lot more complicated."

For one thing, some in the Valley expressed a desire for more "harmonization" with international norms, while others said they "are fearful it will over-regulate and interfere."

As Bono Mack explores the various issues in the online privacy debate, she told POLITICO she has not yet settled on whether to introduce a bill this year.

"I just don't believe that it's crystallized yet," she said. Bono Mack did add that Congress is certainly "watching" the area to protect consumers.

"At this point in time the one thing we're focused on is jobs. If we mess this up, we may potentially hurt job creation for a lot of folks. And if there's one shiny place in this economy, it's tech," she said.

Bono Mack's hearing on consumer expectations will occur after her panel wades into children's privacy on Oct. 5. That session follows a proposal from the FTC, released in September, to update longstanding rules governing privacy for youngsters under age 13.[back](#)

The patent war continues, despite new law [back](#)

By Michelle Quinn | 9/30/11 5:32 AM EDT

SAN FRANCISCO — Just weeks after President Barack Obama signed a bill to overhaul the nation's patent system, there has appeared to be no truce in the high-tech industry's civil war over patents.

The battles are taking place in the marketplace, in courts, in front of government bodies worldwide and on the White House website with a new feature for citizens to start their own petition.

More than 12,000 people have signed a petition on the White House's website asking the administration to direct the U.S. Patent and Trademark Office to cease issuing software patents and void all previously issued software patents. Other top petitions include ones promoting the legalization of marijuana.

Launched Sept. 23, the [patent petition](#) says that the patent office currently issues software patents "with no understanding of how they will be used." The petition continues that patents have become "a way to stifle innovation and prevent competition rather than supporting innovation and competitive markets. They've become a tool of antitrust employed by large companies against small ones."

Who is behind the petition is difficult to determine. Only first names are given for signatories. The White House, which promises to respond to all petitions that gain more than 5,000 signatures, has not responded to the petitioners but it will, according to a White House spokeswoman.

The PTO did not respond to requests for comment.

Congress considered addressing the issue of software patents when it looked to overhaul the patent system but ultimately backed away.

But software patents are at the center of disputes over mobile devices such as tablets and smartphones, and the drama does not appear to be subsiding.

“We will still see very nasty battles especially where the outcome has the potential to deeply impact a business model,” said Will Stofega, program director of mobile device technology and trends at IDC, a technology research company.

Apple has taken on Google’s hardware partners in court. Microsoft has secured licensing agreements from some of these partners.

Google’s chief executive and Oracle’s chief executive continue to mediate their own software patent dispute.

This week, the drama around patents took a new turn when Microsoft and Samsung entered a licensing arrangement over patents that Microsoft alleged Samsung was violating with its tablet computers, which run on Google’s Android operating system.

In a blog post, Google said the deal was a way for Microsoft to “extort profits from others’ achievements.” Microsoft’s Frank Shaw took to Twitter to mock Google’s statement: “Waaaah.”

Google appeared to be staying on the sidelines while its hardware partners fought Apple and Microsoft. But in early September, HTC filed a complaint at the U.S. International Trade Commission against Apple, using nine patents it bought from Google.

Google’s proposed \$12.5 billion acquisition of Motorola Mobility, widely believed to be a move on the Internet giant to build up its patent portfolio to fight other companies, will receive further scrutiny from the Department of Justice, which requested the companies provide additional information about the deal.

Google expressed confidence the deal will still be approved.