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United States Senate

COMMITTEE ON COMMERCE, SCIENCE,
AND TRANSPORTATION

WASHINGTON, DC 20510-6125

WEB SITE: <http://commerce.senate.gov>

ELLEN DONESKI, STAFF DIRECTOR
DAVID SCHWIETERT, REPUBLICAN STAFF DIRECTOR

October 23, 2013

Mr. Don Robert
Chief Executive Officer
Experian
475 Anton Boulevard
Costa Mesa, California 92626

Dear Mr. Robert,

As you know, last year I wrote Experian and other major data brokers requesting basic information to help the Committee understand industry practices in collecting, storing, and sharing personal consumer data. I launched this inquiry to promote Committee and public understanding of an industry that has monetized consumer data but whose practices have been largely unknown.¹ To date you have refused to fully respond to the Committee's October 9, 2012, request for the identities of your sources of consumer data and the purchasers of that data.

This week a prominent data security reporter and subsequent news accounts reported that an Experian subsidiary allegedly sold data to an identity theft scheme. These reports underscore the importance of providing clear answers to the Committee and the American public regarding your company's practices. According to these accounts, an alleged identity theft operation bought sensitive consumer data it used for this scheme from Court Ventures, a company Experian acquired in March 2012.² The identity theft operation, allegedly associated with the websites findget.me and superget.info, reportedly accessed Court Ventures data by posing as private investigators, and paid for the data with monthly cash wire transfers.³ While it is not clear from the reports when exactly Experian stopped data sales to the alleged identify theft

¹ Letter from Chairman John D. Rockefeller to Mr. Don Robert (Oct. 9, 2012) (hereinafter the "October 9, 2012, letter").

² *Experian Sold Consumer Data to ID Theft Service*, Krebssecurity.com (Oct. 20, 2013); *Experian Confirms Subsidiary's Data Sold to Identity Theft Operation*, PCMag.com (Oct. 22, 2013). In its press release on the acquisition of Court Ventures, Experian described the company as an aggregator of U.S. public records data, asserting this step "strengthens Experian's consumer data assets in North America." Experian, Company News, *Acquisition of Court Ventures, Inc.* (Mar. 9, 2012).

³ *Experian Sold Consumer Data to ID Theft Service*, Krebssecurity.com (Oct. 20, 2013); *Experian Confirms Subsidiary's Data Sold to Identity Theft Operation*, PCMag.com (Oct. 22, 2013).

operation, one quoted source asserted that such sales ““went on for almost a year after Experian did their due diligence and purchased’ Court Ventures.”⁴

Your company collects, maintains, and sells data on millions of American consumers. The Committee’s investigation has focused to date on how companies including Experian collect and sell consumer information for marketing purposes, while the information Experian reportedly sold to identity thieves – such as Social Security numbers and banking information – appears to be data Experian collects and sells for risk assessment activities.⁵ However, if these recent news accounts are accurate, they raise serious questions about whether Experian as a company has appropriate practices in place for vetting its customers and sharing sensitive consumer data with them, regardless of the particular line of business.

To address these questions and advance transparency regarding your company’s practices I ask that you fully respond to the questions posed below by Friday, November 8, 2013.

For purposes of these questions, “company,” “you,” or “your” refers to Experian and any of its parents, subsidiaries, and affiliates. “Company” includes trade names, operations under assumed names, fictitious business names, corporations, limited liability companies, unincorporated divisions, joint ventures, partnerships, sole proprietorships, associations, cooperatives, and any other legal entities.

- (1) Did Court Ventures sell consumer data to individuals or entities associated with the websites findget.me and superget.info? If so:
 - a. Describe the time frame over which such sales occurred.
 - b. Describe the nature of data sold.
 - c. Provide copies of all contracts or agreements between Court Ventures or Experian, and third parties involved with this sale(s).
 - d. When and how did Experian first become aware of such sale(s)?
 - e. When did Experian halt such sale(s) and why?

- (2) Describe any review you conducted of Court Ventures, before or after the acquisition of Court Ventures, regarding Court Ventures’ procedures for vetting customers and for monitoring whether customers handle data appropriately. As a result of any such review:
 - a. Did you terminate any Court Ventures customer relationships? For each terminated relationship include the date and reason for termination.

⁴ *Experian Sold Consumer Data to ID Theft Service*, Krebsecurity.com (Oct. 20, 2013).

⁵ Such risk assessment related data is subject to protections under the Fair Credit Reporting Act and the Gramm-Leach-Bliley Act, among others, which prohibit sale of this data for marketing purposes. *See* Fair Credit Reporting Act (FCRA), 15 U.S.C. § 1681 *et seq.*, and Gramm-Leach-Bliley Act (GLBA), 15 U.S.C. § 6801, *et seq.*

- b. Did you change any terms of Court Venture contracts or agreements with its customers regarding sale of data to those customers? For each such changed contract or agreement, describe the changes made and the dates of such changes.
- (3) Identify any entity or individual that your company sold, provided, or otherwise gave access to each of the products or services identified in your response to request 4 of the Committee's October 9, 2012, letter, from January 1, 2009, through the present. For each entity or individual listed, please provide the following:
 - a. Documents sufficient to show the type of data that you sold or otherwise provided to the entity or individual, including each type of data that was sold or provided and the specificity of the consumer data that was shared;
 - b. The amount of money the entity or individual paid for the data;
 - c. The individual's or entity's stated, contractual, or intended use of the data;
 - d. Contracts or agreements between your company and the entity or individual; and
 - e. The manner in which your company provided access to the data, and any conditions, limitations, or restrictions under which you provide the data to the entity or individual.
- (4) In your response to the Committee's October 9, 2012, letter, you described processes your company employs to determine whether a third party may access each product or service identified in response to request 4 of that letter. Please also provide, for each product or service:
 - a. Copies of all application, registration, or approval forms or other documents that your company requires prior to granting a third party access to the product or service;
 - b. Documents or materials your company uses to verify, vet, or otherwise approve access by the third party; and
 - c. The total number of instances where your company has refused to provide access to the product or service and, for each such instance, describe and provide documents regarding the reason(s) your company refused to provide access.
- (5) Provide a list identifying each entity, including private sources and government agencies and offices, from which you have collected or otherwise received data from or about consumers at any time from January 1, 2009, through the present, and list each type of data you have collected or otherwise received from each entity. For each entity listed, provide the contract between your company and the entity, which includes the terms related to the transfer of consumer data and the amount of money your company has paid that entity to acquire consumer data.

Letter to Mr. Robert
October 23, 2013

The Committee is conducting this inquiry under the authority of Senate Rules XXV and XXVI. If you have any questions, please contact Melanie Tiano or Kathleen Benway with the Committee staff at (202) 224-1300.

Sincerely,

A handwritten signature in black ink, appearing to read "John D. Rockefeller IV". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

John D. Rockefeller IV
Chairman

Enclosure

cc: John Thune
Ranking Member