



August 7, 2024

Chair Lina Khan
Federal Trade Commission
Office of the Secretary
600 Pennsylvania Avenue NW
Suite CC-5610 (Annex R)
Washington, DC 20580

Consumer Reports Submits Petition on Auto Manufacturer Privacy Intrusions

Dear Chair Khan,

Consumer Reports writes to share the attached petition,¹ signed by nearly 30,000 Consumer Reports members who are seriously concerned about the privacy practices of several major auto manufacturers. We urge the FTC to investigate and hold these companies accountable for any unfair or deceptive practices that they may have engaged in.

As was originally reported in the New York Times,² several auto manufacturers, including GM, collected consumer driving behavior and surreptitiously shared it with data brokers who then shared it with insurance companies that subsequently used it for rate-setting purposes.

More recently, an investigation by two members of Congress alleged that multiple auto manufacturers also collected and shared drivers' location data by default when the vehicle's internet connection was enabled.³ As the Commission asserted in settlements with data brokers X-Mode and InMarket, secret collection and sharing of location data can constitute an unfair or deceptive practice.⁴

¹ Consumer Reports, Protect My Driving Data Petition,
<https://action.consumerreports.org/nb-20240321-ftc-carprivacy>

² Kashmir Hill, Automakers Are Sharing Consumers' Driving Behavior With Insurance Companies, New York Times, (March 13, 2024),
<https://www.nytimes.com/2024/03/11/technology/carmakers-driver-tracking-insurance.html>

³ Sen. Wyden, Sen. Markey, Auto Privacy Letter to FTC, (July 26, 2024)
https://www.wyden.senate.gov/imo/media/doc/wyden-markey_auto_privacy_letter_to_ftc.pdf

⁴ FTC, FTC Finalizes Order with X-Mode and Successor Outlogic Prohibiting it from Sharing or Selling Sensitive Location Data. (April 12, 2024),
<https://www.ftc.gov/news-events/news/press-releases/2024/04/ftc-finalizes-order-x-mode-successor-outlogic-prohibiting-it-sharing-or-selling-sensitive-location>; FTC, FTC Finalizes Order with InMarket Prohibiting It from Selling or Sharing Precise Location Data, (May 1, 2024)
<https://www.ftc.gov/news-events/news/press-releases/2024/05/ftc-finalizes-order-inmarket-prohibiting-it-selling-or-sharing-precise-location-data>

Though the alleged privacy intrusions constitute a harm in and of themselves, they can also facilitate secondary harms, such as unfair insurance pricing, stalking, or discrimination. The FTC should take swift action to protect consumers from these harms and ensure that our vehicles do not become just another hidden node in the commercial surveillance marketplace.

Sincerely,

Matt Schwartz
Policy Analyst
Consumer Reports

cc: Commissioner Alvaro Bedoya
Commissioner Melissa Holyoak
Commissioner Rebecca Kelly Slaughter
Commissioner Andrew Ferguson

To: Federal Trade Commission

We are calling on the FTC to investigate automakers and use their power to stop any unfair and deceptive practices regarding the sharing and use of consumers' driving data. Some "smart driving" programs within a vehicle or its app assure drivers that their data is not being shared or persuade drivers to agree to data-sharing terms buried in lengthy terms and conditions that are nearly impossible to decipher. Even more egregious is that some car salespeople are incentivized to enroll consumers in these features and may have signed drivers up without their knowledge. Additionally, drivers claim that automakers continued to track them despite turning off these features.

It is also unclear to consumers how their driving is being assessed. As a result, consumers are either facing higher car insurance costs or denials for car insurance due to automakers' practices.

We urge the FTC to use its authority under Section 5 of the FTC Act, and take immediate action to hold automakers accountable if they are engaging in unfair and deceptive practices.