

## FTC Releases “Big Data” Report

FEBRUARY 4, 2016

Recently, the Federal Trade Commission (FTC) released a report outlining recommendations for businesses regarding the use of “big data.” While the report declines to provide a precise definition of “big data,” it generally categorizes such data using the “three V’s” of data collection: volume (a large amount of data), velocity (near instantaneous data collection and analysis), and variety (the simultaneous analysis and combination of otherwise unrelated data sets).

Drawing on information collected from the public by the FTC, the report focuses specifically on the commercial use of big data and impact on low-income and underserved populations. It takes a look at big data through the lens of several federal laws, including the Fair Credit Reporting Act, equal opportunity laws such as the Equal Credit Opportunity Act, and Section 5 of the FTC Act. Finally, the report proposes key policy questions for companies to ask to ensure an ethical and fair use of big data.

The report highlights both benefits and risks to use of big data from the perspective of the FTC. Included in risks, according to the FTC, are potentials for creating stereotypes that assume individual behavior or performance based on demographics, as well as privacy concerns. Read more about the report’s impact on the financial services sector in a recent Winston briefing on the topic.

**TIP: As we have reported before, companies considering activities involving big data, when thinking about privacy issues, will likely need to consider consumer disclosures, whether information being appended in the big data realm was collected appropriately and legally, and if there are legal restrictions on sharing any of the big data.**

1 Min Read

---

### Author

[Eric Shinabarger](#)

---

### Related Locations

Chicago

## Related Topics

Consumer Privacy

Big Data

## Related Capabilities

Privacy & Data Security

## Related Regions

North America

## Related Professionals

---



[Eric Shinabarger](#)

*This entry has been created for information and planning purposes. It is not intended to be, nor should it be substituted for, legal advice, which turns on specific facts.*