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August 8, 2008

Congress of the United States  
House of Representatives  
Committee on Energy and Commerce  
2125 Rayburn House Office Building  
Washington, D.C. 20515

Dear Chairman Dingell, Ranking Member Barton, Chairman Markey, and Ranking Member Stearns:

On behalf of Covad Communications Company ("Covad"), I am writing to respond to your letter of August 1, 2008, regarding behavioral targeting practices within the telecommunications industry. Covad is a leading nationwide provider of integrated voice and data communications. Covad is happy to be of assistance to the Committee and its investigation into behavioral advertising practices. In what follows below, we have provided good faith answers to each of your August 1st questions.

1. Has your company at any time tailored, or facilitated the tailoring of, Internet advertising based on consumers' Internet search, surfing, or other use?

No, Covad has not tailored or facilitated the tailoring of Internet advertising based on our consumers' Internet search, surfing, or other use.

2. Please describe the nature and extent of any such practice and if such practice had any limitations with respect to health, financial or other sensitive personal data and how such limitations were developed and implemented.

Not applicable.

3. In what communities, if any, has your company engaged in such practice, how were those communities chosen and during what time periods was such practice used in each? If such practice was effectively implemented nationwide, please say so.

Not applicable.

4. How many consumers have been subject to such practice in each affected community or nationwide?

Not applicable.

5. Has your company conducted a legal analysis of the applicability of consumer privacy laws to such practice? If so, please explain what that analysis concluded.

As indicated in the prior responses, Covad has not tailored or facilitated the tailoring of Internet advertising to its customers. Covad did do a high-level legal analysis of the legal issues surrounding such a practice, but the resulting work product is subject to the attorney-client privilege and is Covad's confidential information.

6. How did your company notify consumers of such practice? Please provide a copy of the notification. If your company did not specifically or directly notify affected consumers, please explain why this was not done.

Not applicable.

7. Please explain whether your company asked consumers to "opt in" to the use of such practice or allowed consumers who objected to "opt out." If your company allowed consumers who objected to opt out, how did it notify consumers of their opportunity to opt out? If your company did not specifically or directly notify affected consumers of the opportunity to opt out, please explain why this was not done.

Not applicable.

8. How many consumers opted out of being subject to such practice?

Not applicable

9. Did your company conduct a legal analysis of the adequacy of any opt-out notice and mechanism employed to allow consumers to effectuate this choice? If so, please explain what that analysis concluded.

As indicated in the prior responses, Covad has not tailored or facilitated the tailoring of Internet advertising to its consumers. Covad did do a high-level legal analysis of the legal issues surrounding such a practice, but the resulting work product is subject to the attorney-client privilege and is Covad's confidential information.

10. What is the status of consumer data collected as a result of such practice? Has it been destroyed or is it routinely destroyed?

Not applicable.

11. Is it possible for your company to correlate data regarding consumer Internet use across a variety of services or applications you offer to tailor Internet advertising? Do you do so? If not, please indicate what steps you take to make

sure such correlation does not happen. If you do engage in such correlation, please provide answers to all the preceding questions with reference to such correlation. If your previous answers already do so, it is sufficient to simply cross-reference those answers.

No, Covad does not currently possess the capability to correlate data regarding our consumers' Internet use across a variety of services or applications in order to tailor Internet advertising.

Thank you for this opportunity to be of assistance in this matter.

Sincerely,



Douglas Carlen  
Senior Vice President and General Counsel



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# Fax

**To:** Congress of the United States  
House of Representatives  
Committee on Energy and Commerce  
Majority Fax

**From:** Douglas Carlen by Stefanie Santa-Esparza

**Fax:** 202-225-2525

**Pages:** 4, including cover

**Phone:**

**Date:** August 8, 2008

**Re:** Covad Response to House Internet  
Advertising Letter

**CC:**

- Urgent**
- For Review**
- Please Comment**
- Please Reply**
- Please Recycle**

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