



August 25, 2010

VIA OVERNIGHT MAIL

The Honorable Edward J. Markey
2108 Rayburn House Office Building
Washington, DC 20515

The Honorable Joe Barton
2109 Rayburn House Office Building
Washington, DC 20515

Re: Letter From the House Bi-Partisan Privacy Caucus, dated August 5, 2010
("Letter")

Dear Congressmen Markey and Barton:

We are writing to respond to your recent Letter regarding CareerBuilder, LLC's ("CareerBuilder") consumer data collection practices. Consumer privacy issues are very important to CareerBuilder, and we thank you for the opportunity to be a part of this ongoing discussion.

As you may know, CareerBuilder helps companies attract their most important asset – their people – by providing a platform to match the right people with the right jobs. Our online career website, located at www.CareerBuilder.com (the "Website") assists companies and individuals in many aspects of the recruiting process, including allowing companies to post jobs and review candidate resumes, allowing individuals to post resumes and apply for jobs, and providing job recommendations and other advice and information regarding the job seeking process. Companies post an average of 1 million jobs per month on our Website and job seekers may use our Website free of charge. We are the largest online career site in the U.S. as measured by traffic and revenue. The majority of the data collection practices described below are central to our primary goal as a company; providing successful matches between job seekers and potential employers.

For your convenience, we have responded to your questions in the same order and format as they were raised in your letter:

- 1. What specific information about consumers does your company collect, either through your own website or through business relationships with third parties?**

We collect information from job seekers via our Website in two ways:

First, we collect information provided directly by the job seeker, such as information contained in a resume and information provided in response to our registration questions (a sample registration form is attached hereto for your convenience as Exhibit A). Second, we place our own cookies (“First Party Cookies”) on users’ computers to monitor their activity on our Website (i.e., we track the jobs viewed and applied to by particular job seekers). We use the information collected through such First Party Cookies to provide services that enhance the user experience. If, for example, we know that an individual lives in Chicago and has viewed accounting positions, we are able to email that individual when new Chicago-based accounting opportunities are posted on our Website or we can provide them with targeted job advertisements directly related to careers in accounting.

Also, CareerBuilder periodically contracts with third parties that provide job seeker contact lists so that we may send those jobs seekers offers from our employer clients. We do not purchase these lists unless the list seller represents and warrants contractually that the lists were compiled in a lawful manner. In addition, job seekers contacted from these lists may opt out of receiving further emails from us via an opt-out option contained within the email. We also contract with analytics firms that provide aggregated data about visitors to our Website (such as the percentage of visitors that fall within certain demographic categories).

2. If you have business relationships with third parties, please list the names of those third parties, including analytics firms.

The third party list providers and analytics firms referenced in Question 1 are the only third parties from which we purchase personally identifiable information.

In order to better understand our Website traffic patterns and monetize advertising space on our Website, CareerBuilder uses several analytics firms and various third party advertising networks. To the best of our knowledge, neither of the foregoing provides CareerBuilder with personally identifiable information about consumers and CareerBuilder does not share any personally identifiable information about consumers with those third parties. Rather, those third parties merely purchase advertising space from us or, in the case of the analytics firms, count the number of visitors that access our Website. Our primary vendors include Rubicon Project (our third party advertising network broker), Comscore (for monitoring traffic analytics), Omniture (for Website visitation analytics), BrightEdge (for search engine conversion analytics) and [X+1] (assistance with search engine optimization).

3. How does your company collect consumer information (e.g., direct consumer input, cookies, beacons, Flash cookies, other surveillance technologies)?

As described above, we collect job seeker information via two methods: (i) direct consumer input (via resumes and registration questionnaires) and (ii) by tracking job seeker activity on our Website (using First-Party Cookies).

We understand that the recent Wall Street Journal investigation found a flash cookie on our Website. That particular cookie was used by one of our vendors to monitor the effectiveness of various videos shown on our Website (i.e., they were used to determine how often unique or new viewers were accessing videos on our Website). Although we believe that there are legitimate ways to use flash cookies to improve a user's online experience, and that ours was one such legitimate use, we have removed the flash cookie in question while we review and update our cookie use policies.

4. How does your company use the information it collects, both directly or through third parties, if applicable?

We use information collected from job seekers in several ways:

First, we maintain a resume database consisting of resumes voluntarily provided by job seekers. We charge potential employers a subscription fee in order to view the database. Job seekers can manage the extent to which their information is displayed to potential employers by designating their resumes as "anonymous" or "private." The "anonymous" setting allows job seekers to display the contents of their resumes while hiding their contact details. Even if a resume is anonymous, however, job seekers may, using our internal Website email system as a filter, receive communications from employers without divulging their contact details to those employers. Alternatively, the "private" setting allows job seekers to upload their resumes to the Website but not to the resume database. We offer this option because some job seekers wish to have a resume uploaded to our system to facilitate prompt job applications but do not want their resume to appear in employer search results generated from the resume database.

Second, as described above, we use information collected from job seekers in order to provide notifications or display advertisements regarding jobs that may be of particular interest to a job seeker.

Third, we use job seeker information or activity on our Website to send job seekers offers from our partners or show them relevant advertisements from our partners. For example, a company with a chain of Midwestern auto repair stores may ask us to send email advertisements or display an advertisement on the Website for their services to job seekers within that particular geographical region.

Finally, we use aggregated, non-personally identifiable job seeker data (such as occupation, location, education and experience) to provide applicant reports to employers. Employers may purchase reports detailing labor supply and demand. Such reports can show, for example, which cities have (i) the most accountants, with five years experience or more, who are searching for work and (ii) the most related job openings that require accountants with the same experience level. Employers use these reports to help determine where and how to recruit and to determine where to open new offices. Such reports do not include any personal information about a particular job seeker.

5. Does your posted privacy policy fully explain these data collection and use practices?

We believe that our privacy policy accurately describes our company's data collection and use practices. As we innovate to maintain our competitive position and bring new products to the marketplace, our privacy policy evolves to cover new developments within the company and the marketplace. We periodically revisit our privacy policy in an ongoing effort to provide relevant and informative disclosure. As a result of recent inquiries, we have conducted a full review of our privacy policy and will be updating it to add more information regarding our privacy practices.

6. Does your posted privacy policy identify for consumers all affiliated and unaffiliated entities with which you share or provide access to consumer data, whether through direct disclosure, cookies or other means?

Our resume database is the only instance in which we share job seekers' personally identifiable information with third parties and, as stated above, we will only share such information if the individual job seeker has chosen to make it available to employers. This practice is clearly described in our privacy policy.

Also, we provide anonymous data to our third party advertisement broker so that it can respond to "ad calls" by third party advertising networks. If, for example, a third party advertising network seeks to display an advertisement to men in their thirties, the third party broker can facilitate the request by using the anonymous data. The anonymous data is not passed along to the actual advertisers. Our privacy policy explains this practice in general terms. We will update our policy to provide greater detail regarding this process.

As discussed above, we also include aggregated, non-personally identifiable job seeker data in reports that we sell to employers. Our privacy policy discloses this activity.

In addition, our third party advertising network partners may "retarget" users on our Website by placing their own cookies ("Third Party Cookies") on users' computers and comparing that to their existing cookie data. Our third party

advertisement network partners may also track users from a prior website to our Website. If, for example, via Third Party Cookies, the advertisement network knows that an individual has been visiting websites related to automobile purchases, the advertisement network can then show that individual an advertisement for a car on our Website. In neither instance are we collecting and “sharing” any information with these third parties. Rather, we provide a website location from which a targeted advertisement can be presented. However, we will disclose these practices in our updated privacy policy.

Finally, some employers may place cookies on job seekers’ computers in order to determine the point of origin of a job applicant. Employers frequently use multiple job boards to source talent and cookies are used to determine which job boards provide the best return on investment.

We do not specifically identify all of the third parties who place cookies on our Website because, as described in greater detail below, it is not feasible, or in some cases even possible, to monitor such third party tracking activity.

7. Does your company sell or otherwise monetize the information it collects?

We sell the information that we collect in the manner described in our response to Question 6 above.

a. If yes, to which companies does it sell or otherwise disclose the information it collects?

CareerBuilder sells products and services to its subscribers, including potential employers and staffing agencies. One of those products, our resume database, contains personally identifiable information that is submitted directly by job seekers. Other products may contain aggregated, anonymous job seeker information. CareerBuilder also sells advertising space on our Website and, as discussed above, we do provide anonymous job seeker information to our third party advertising broker.

b. What were the revenues associated with the sale or monetization for the last 12 months or the most recent year for which your firm has such data?

The large majority of CareerBuilder’s revenue is realized from two sources: (i) we charge potential employers to post job openings on our Website; and (ii) we charge potential employers for access to our resume database. Please note that CareerBuilder is a privately held company and we consider information such as revenue streams associated with particular product lines to be proprietary information, the disclosure of which would result in a competitive disadvantage.

- 8. Is your company aware of all third party tracking devices that may be installed on a user's computer when the user visits your site?**
- a. If yes, what evaluations does your company perform to discover such devices? If no, why not?**
 - b. What actions does your company take upon discovery of a previously unknown third party tracking device?**

In order to help potential employers market their company as a desired destination for job seekers, we allow said employers to serve content directly onto our Website from third party servers. Some employers may distribute cookies through their content in order to monitor sources of applications and to efficiently allocate scarce recruitment resources. Although it is provided to job seekers on our Website, employer content is hosted on third party servers over which CareerBuilder has no access or control. We merely provide a window through which such content can be displayed; the technology that hosts and utilizes the employer cookies occurs on a third party server. Accordingly, it is very difficult, if not impossible, for us to determine whether employer cookies are being placed on a user's computer or to interfere with such placement. We do contractually require that employers comply with conduct rules regarding the proper use of our website.

Similarly, third party advertising networks also serve advertisements directly onto our Website from third party servers over which we have no access or control. Every advertisement served by a third party advertising network has cookies. As is the case with any other website that uses third party advertising networks to serve advertisements on its website (including the vast majority of the top 50 traffic websites referenced in the Wall Street Journal article mentioned above), it is not feasible to monitor all third party tracking activity that occurs on our Website. We do, however, contractually require that third party advertising networks and their advertisers comply with applicable laws regarding consumer protection and privacy.

Presently, the only way that CareerBuilder can completely avoid the placement of Third Party Cookies would be to (i) stop using third party advertising networks and (ii) prohibit employers from serving content onto our Website. Such drastic measures, however, could be very detrimental to our business and other similarly structured businesses in the marketplace. Further, some employers may not be able to meet their hiring goals if they are unable to research whether or not our Website is an effective source of candidates and an efficient use of their recruiting budgets. Nonetheless, we are currently reviewing available technology to determine whether we can adopt techniques to allow us to better monitor and control third party cookies.

Significantly, job seekers can manually set their browsers to disable or block cookies. Our updated privacy policy will contain instructions for setting a browser to delete or disable cookies.

It has recently come to our attention that there were multiple “legacy” cookies on our Website from expired advertising partnerships that were no longer serving any function. We have removed these cookies.

- 9. Does your company serve different content, pages or advertisements to visitors, based on information derived from tracking devices? If yes, please explain.**

CareerBuilder provides personalized job recommendations to a large majority of our visitors. These recommendations are viewable on our Website both on the homepage and in the “Job Recommendations” section. Display advertisements are also personalized to the user’s interests. A user in Florida, for example, will see advertisements from companies seeking candidates in Florida and a user in California will see advertisements from companies seeking candidates in California. By way of further illustration, a job seeker who has previously viewed advertisements in the accounting industry will be shown advertisements for accounting positions. We strongly believe that by targeting job seeker interests in this manner, we are able to make their job search more efficient by presenting them with opportunities that are more relevant than would otherwise be possible.

- 10. Does your company target individuals based on their health or financial status?**

We do not collect information about a job seeker’s health. We do, however, occasionally target advertisements and recommend jobs based on a job seeker’s estimated income level. Our estimates are based on data regarding current and/or desired salary level supplied by the job seeker during the registration process. If, for example, an individual expresses an interest in jobs that achieve a particular salary range, then we will recommend jobs in that range in order to respond to the job seeker’s stated goal.

- 11. Are there any user search or usage habits that your company will not use for targeting purposes or tracking? If yes, what are they?**

CareerBuilder does not solicit information about sensitive topics such as a job seeker’s health, religion or sexual orientation. Further, CareerBuilder does not solicit information, such as social security number, driver’s license number or bank account number, which, if compromised, could lead to identity theft.

- 12. Has your company conducted a legal analysis of applicable communications and consumer privacy laws to the targeting and/or tracking practices utilized by your firm? If yes, please explain what this analysis concluded.**

CareerBuilder monitors new developments in state and federal privacy law. As part of this practice, we periodically engage outside legal counsel to conduct legal analyses of applicable communications and consumer privacy laws related to our tracking and targeting practices. After consultation with outside legal counsel, we believe that we are compliant with all applicable laws. We consider the findings of any legal analysis to be confidential in nature and protected by the attorney/client privilege. Accordingly, we respectfully decline to provide the specific results of our legal inquiries.

13. If your company tracks or targets visitors, how does it notify visitors to your company's site of this practice? If it does not provide notification, why not?

As described in greater detail above, our privacy policy notifies visitors about tracking conducted both by CareerBuilder and by applicable third parties.

14. If a user does not want to be tracked or targeted upon visiting your site, how would the user effectuate this preference?

A job seeker can use our Website without registering or uploading a resume. If a user does not upload a resume or register, CareerBuilder cannot target the user based on information contained in a resume or information obtained via the registration process. It is more difficult, however, to provide the user with information regarding relevant job opportunities without such information.

As discussed above, we have little control over a third party's placement of cookies on our Website. A job seeker would need to manually set his or her browser to disable or block cookies.

Some of CareerBuilder's services or features will not work without First Party Cookies. Our security cookie, for example enables our server to recognize a user as he or she accesses new pages on our Website. Without the security cookie the job seeker would have to log-in on each page.

15. Please explain whether your company provides the ability to consumers to "opt-in" to the use of these practices or "opt-out" including whether they have the option to prevent the collection and use of their data. If the company provides the ability to "opt-out", how many visitors have chosen this option according to your company's most recent data?

As discussed above, job seekers can mark their resumes as "private." This designation prevents their resume information from being included in resume database searches.

A job seeker may also opt-out of receiving cookies from a small number of third party advertising networks. Our privacy policy contains a link to an opt-out page

hosted by the National Advertising Initiative (the “NAI”). On this link, job seekers can opt-out of receiving cookies from NAI members. NAI members, however, represent a fairly small percentage of third party advertisement networks. Since we do not administer the NAI opt-outs and do not have access to that data, we are uncertain how many of our users have decided to opt-out of NAI advertisements.

Also, as mentioned above, a job seeker can, in effect, opt-out of tracking by manually setting his or her browser to disable or block cookies.

We hope that the responses that we have provided above are helpful to the House Bi-Partisan Privacy Caucus in its deliberations. Please contact me if CareerBuilder can be of any further assistance.

Sincerely,

A handwritten signature in cursive script that reads "Matt Ferguson". The signature is written in black ink and is positioned above the printed name and title.

Matt Ferguson
Chief Executive Officer

Exhibit A

REGISTRATION QUESTIONNAIRE



Employers: Post Jobs | Search Resumes

Hi Ryan Fitts! Sign In >> Help Security

My CareerBuilder Find Jobs Job Recommendations Post Resumes Advice & Resources

Keywords *Ex. Registered Nurse or Sales* Location *Ex. Chicago IL or 60607*

Search

Find Jobs

Registered User? Sign in here >>

New Users: Sign up now

CareerBuilder Registration

I will be using CareerBuilder.com as:

an Employer a Job Seeker a Staffing Agency Representative

* Required field

Account Information

* Your first name:

* Your last name:

* Email Address:

* Confirm Email Address:

* Create Password

* Confirm Password:

Contact Information

Phone:

Address:

Address 2:

* Country:

* City:

* State:

* Zip:

Highest level of education?

Interested in furthering your education?
 Yes No

Program of Interest

Please select the type(s) of communications you would like to receive

CareerBuilder Newsletter
 A newsletter containing expert job search advice, career products, work tips and custom content just for you.

Education Recommendations
 Information about opportunities to help advance your career, by email, phone (at the number provided above), or mail.

Partner Offers
 Relevant info and offers from our partners, including education, career training, financial services and more.

TIP - To receive emails from us more effectively, please add us to your "Contacts" (i.e. Address Book, Buddy List, etc.)

HELP CareerBuilder Job Seeker Customer Service:
 (866) 438-1485

CareerBuilder
 About Us
 Work at CareerBuilder
 Affiliate Program
 CareerBuilder API
 Advertising Info
 Our Partners
 Privacy
 Fraud
 Terms
 CareerBuilder forums
 Mobile Site
 Text Only (508)
 Site Map

Job Seeker Services
 Professional Community
 Free Career Test
 Salary Calculator
 Skills Training
 College Degrees
 Freelance & Contract Jobs
 Candidate Screening
 PrimeCB
 Entry-Level Jobs
 Internships
 Education Center
 Retail Jobs
 Restaurant Jobs
 Healthcare Jobs

Fun Stuff
 Age-o-Matic
 Monk-e-Mail

CareerBuilder International
 United States
 United Kingdom
 UK Nursing Jobs
 India
 Canada
 Germany
 Netherlands
 Sweden
 Spain
 Italy
 France
 Switzerland
 Greece
 Belgium
 Norway
 China
 Romania
 Ireland
 Denmark
 Poland
 Gulf Jobs

Partner Sites
 Shopping
 Apartments
 Cars
 New Cars
 FSBO
 Real Estate
 Homes For Sale
 News
 Part Time Jobs
 Therapy Jobs
 Local Newspapers
 Rental Homes

Employers
 Search Resumes
 Post Jobs
 Talent Management
 Advice