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Databrokering (databrokerage) **– Information Culture Perspective**

Introduction

The main goal of this paper is to present and analyze the information profession which can be called the largest branch of the information market – databrokerage. Prime goal is to analyze the offer of databrokers, their sources, resources and methods of activity from international and Polish perspective. Databrokerage is an example of manifestation of the global information culture that despite of the deprivation of the territorial boundaries of its operation is coordinated by the local law rules. To achieve this goal it is necessary to explore variety definitions which are functioning in public discourse. Then it will be possible to acquaint with databrokers' offer and analyze it from Polish and international law perspective. At the culmination of deliberations regarding to databrokering a comparison with other information business activity which is information professionals will be presented. This comparison aims to visualize the fundamental differences in the conduct of databrokering and information entrepreneurs on the legislative, organizational and ethical level.

Databrokering is a business activity based on the acquisition, storage and distribution of personal data. The data are derived from a variety of public and private sources and submitted for consideration of private sector companies and public administrations. Most often this data is used for marketing purposes (Statement of Federal Trade Commission 2013). Other terms of business are: databrokers, information brokers, information resellers, information solutions providers, databrokerage (definition of the industry). In the Polish terminology are suggested: databrokers (brokerzy danych, databrokerzy), database administrators (administratorzy baz danych) or personal data operators (operatorzy danych osobowych). Terms databrokering or databrokerage (of personal data) are used to describe the activities in the industry.

Databrokerage concept in public administration documents

GAO (United States Government Accountability Office) defined databrokering as a sector of companies that collect data, including personal information about consumers from many different sources, in order to sell such information to their own customers, which include private sector companies and government agencies (United States Government Accountability Office 2006).

Nathan Brooks and Gina Marie Stevens from the Congressional Research Services – a branch of the Library of Congress in the report to the US Congress

in 2005 and 2007, define the activity of databrokers as a collecting of personal data from public and private records and selling them to institutions from public and private sector to implement in variety of purposes, among the others: for marketing purposes, in order to effective enforce of the law and for the protection of the internal security (Stevens 2007).

In project “Connecting for Health Policy” subcommittee of Markle Foundation defines databrokering as the collecting, processing and selling of information available in the public domain, or information collected illegally, which have been collected for a purpose other than eventually data was used (*Markle Foundation 2006*).

In earlier document from 1997 prepared by the Federal Trade Commision it were distinguished two types of data brokers. The first is the group of IRSP entities (Individual Reference Services Providers) or IRSG (Individual Reference Services Group). These companies sell the whole database or individual profiles of people and other reports which contain sensitive personal information. The second type of companies sell a lists of names, e-mail addresses of large group of people grouped by respective properties, conditions, features, circumstances, preferences, behavior and way of life (Pitovsky 1995). In general databrokers provide their services for three types of customers:

- Services for many potential buyers,
- Services for specific customers / business partners,
- To the general public via the Internet platforms.

Data sources used by databrokers

The possibility to use variety data resources depends on legislation which actually stand in the country. It should be noted that diversity of the local legislations provides opportunities for large corporations that provide data distribution services throughout the world to efficient operate within the law and to provide an easy worldwide circulation of data. Databrokerage industry is most extensive in the United States and the typology of sources defined by the American system, should begin with the US categorization. US companies also operate in Poland. Approximation of this aspect from the point of view of the US market will more fully present the Polish case of the personal data transfer law in Poland. There are three basic types of sources:

- Public records – available for everyone and generated by the public administration. Records of births and deaths, real estate, list of voters, court records (for bankruptcy, judgments).
- Information available to the public – phone books, business directories, information from advertisements, magazines, etc.
- The unlisted data – derived from confidential or private databases.

Presented typology of data sources is quite general, and in the US and the US legal system did not wake a larger claims, but after comparing the actual scope of the data held by databrokerage corporations even the US government had a serious concerns about how actually the personal data which rotate this type of company are acquired. One of the leading representatives of this market decided to bet on openness and gave US citizens possibility to check the data about themselves was held by Acxiom Corp through the portal in aboutthedata.com. It turned out that the scope of the stored data is surprisingly spacious. The data refer to (in addition to basic personal information such as name, surname, address) level of education, marital status, number of children, the status of real estate and size of properties, including information about mortgages, vehicle data (year, brand, model), the economic data of family members and their investment opportunities. In addition, the database contains information of consumer preferences relating to the size and type of clothing, the information about the state of the household, owned animals, the amount of sent sms, charity, health problems, religion, type of cultivated craftsmanship, work activities in the past e.g. during studies. All of these data bear the name of the source and the ability to attenuate or completely cease the collection of specific types of data. The company gave full control over personal data collected in the hands of interested customers.

Databrokers offer

In order to illustrate the methods and sources of data collection it is necessary to select the main representative of the industry. Acxiom Corp can be marked as a leader on international and Polish market of personal data processing company. In 2011, the company's total revenue reached 1.1\$ billion in the US making it outright market leader. Offer and company policies in Acxiom are similar to the range of other companies in industry so application example perfectly illustrates the details of the activities and data collection mechanism based on the databrokers content network and data collected from other corporations. These companies represent the different levels of links to almost all sectors of the market and affect virtually every aspect of the daily lives of consumers. Network of Acxiom partners includes: Yahoo, IBM, Hewlett-Packard, Facebook, Cisco, AT & T, NetApp and other databrokers as BlueKai, AudienceScience, SeligSource, AffinitySolutions, ALTERIAN, BigInsight, ThinkVine. These other datebrokers also have their own affiliate network, from which they take and transmit data among to Acxiom Corp. Looking at the network there are a big multi-brand corporations which manage distribution networks known throughout the world and representing such industries as: retail, catering, insurance, cosmetic, pharmaceutical, automotive, information technology and so on (Singer 2013).

Acxiom Corp. on the Polish market collects the following information: name, address, e-mail address, telephone number and transaction data, lifestyle and demographics. The data that are collected via the Internet, questionnaires and contests, from partners cooperating with Acxiom, public records, commercial databases and their own websites.

Databrokerage companies' offers are very similar and can be divided into four main sections addressed to potential customers and one corresponding to the needs of a particular customers group:

1. Data and data management – service is the basis of activity and provides the groundwork for the development of a range of other services with the usage of personal data.
2. Strategies and management.
3. Multichannel marketing.
4. Targeted advertising.
5. Industry solutions.

In the first group of services are included:

1. Database rental:
 - rental of consumer databases,
 - profiled database rent.
2. Customer database and brochures:
 - construction of databases,
 - platform of database management,
 - management of campaigns.
3. Data integration and enrichment:
 - integration and improvement of data quality,
 - data enrichment.
4. Software to leads generation and acquisition:
 - multi-channel lead generation,
 - lead management software.
5. Industry solutions:
 - Retail Banking,
 - The automotive industry,
 - Telecommunication services and multimedia providers
 - E-commerce,
 - Modern technologies,
 - Non-profit organizations,
 - The insurance sector,
 - Utilities,
 - Retail chains,
 - Tourism,
 - Credit card issuers.

It can be seen clearly that only a part of the services falls within the scope of the general characteristics of databrokerage. Other services can be add even to the work of marketing agencies, telemarketing or information professionals. The difference is that Acxiom Corp. has its own database of gigantic size and at the same time they are co-creators of the data operators content network. The company also provides service of software usage. Data are available with its own software to manage. Sharing databases is here inseparable from other professional IT services and marketing.

Another groups of services are not related to the activities of databrokers in strict sense, with the exception of the fifth group. Databrokers offer a packages of data which are available as clippings from the personal databases and it can be tailored to the companies representing a given market sector or to specific services using these bases or direct to a particular recipient.

Database rental

It is worth to analyse in detail the databases for the lease. **Rent consumer databases** involve making aggregate consumer lists used for e-mail marketing, telemarketing and oter marketing activities with the usage of traditional mail. Acxiom has a set of telephone data with over 1.5 million records, and more than one million e-mail addresses of Poles who have agreed to this form of communication. **Rental profiled databases** involve people-thematic databases with specific criteria of selection. Customers can get all the contact database of people who are e.g.: travelers who once a year travel with family, the owners of cars, rich seniors, singles representing a certain lifestyle, heads of families with school age children, those who buys large number of products in the periods around Christmas.

Legal and ethical aspects of databrokerage

The protection, processing and usage of personal data are very complex issues and in many regional laws can be found references to activities that refers to databrokerage. Definition of the industry was not present in any of the European and national legislation. It creates a situation in which it is difficult to reference certain provisions of the databrokers activities. Due to the international nature of this companies their operations are regulate at the same time by Polish National, European and International laws. Accordance with Art. 7 paragraph. 2 of the Act of 29 August 1997 The protection of personal data, approved by the Polish parliament, personal data processing is performing any operations on personal data, such as: collecting, recording, storage, organization, alteration, disclosure and erasure, particularly those carried out in information systems. Such a description of the activity corresponds to the characteristics of the databrokearage industry presented in this paper. Databrokers have to be

considered in accordance to the Act, as data controllers who (Art. 7 paragraph. 2) may be a body, organizational unit, entity, or a legal person, which determine the purposes and means of processing personal data. The third article mentioned entities are set out (except public administration) as non-state actors performing public duties or an individuals or legal personas and organizations which are not legal persona. These entities can processing personal data in connection with the business activities or professional activity or for the implementation of statutory objectives and they must be established or residing on Polish territory, or in a third country, as far as processing of personal data is carried out by means of technical devices located on Polish territory. Thanks to the recent notation companies such as Acxiom Corp. gets the first regulations giving them the possibility to conduct its operations in Poland.

To answer the question about the legality of this type of activity in Poland does not have to delve into a number of provisions of the law. The basis for administrators of personal data providing theirs services in Poland is registration in National Open Register of Personal Data Collections maintained by the General Inspector for Personal Data Protection (Generalny Inspektor Ochrony Danych Osobowych). Databrokers must fulfil at least one condition entitling him to perform operations on personal data to collect and process personal data in accordance to the Law of the protection of personal data. In terms of routine data, such as the name and address, the conditions are specified in Art. 23, paragraph 1, item 1-5 of the Act of Personal Data Protection. In terms of sensitive data, such as data concerning the health information or political opinion, the conditions for entitlement to perform operations on them are set forth in Art. 27 paragraph. 2 Section 1-10 of the Act.

In addition, databrokers must complete the information obligation described in Art. 24 paragraph. 1 and Art. 25 paragraph. 1 of the Act of the Protection on Personal Data, except of data controllers. Exemption from the requirement in the case of collectioning data directly from the person concerned (Art. 24). The administrator must inform the person subjected to the procedure about a name of company and address, the purpose of collecting data, recipients of the data (including those expected), the right of access to data and to correct them, as well as voluntary or obligatory to provide (and if its obligatory – of its legal basis). In the case of the data collection not from the data subject (Art. 25), the administrator – shortly after the recording of the data – must inform the person to whom they are relate to, about company name and address, the purpose and scope of data collection, and especially about their audience, the source from which the data was acquired, the rights of access to data and to correct them as well as on the right to the termination of processing.

Databrokerage company has also used the appropriate safeguards, which are the provisions of Chapter 5 of the Law on Personal Data Protection and

Regulation of the Minister of Internal Affairs and Administration of 29 April 2004 on personal data processing documentation and technical and organizational conditions which should be fulfilled equipment and systems used for the processing of personal data.

The transfer of personal data outside the borders of Poland

Legislation in this area is very wide. It's important that only the most important issues of databrokers activity must be dealt with in the context of data transfer outside Poland and international program "Safe Harbor" which allows to transfer data from selected countries to the United States. This is particularly important from the point of view of information culture, which was at the legislative level confined to an area of government while most concepts of modern society presupposes the existence of information space devoid of boundaries. Databrokers represents an excellent example of the fact that not all categories of information are related to such assumptions.

Transmission of data to a third country may take place in situations where the state is giving guarantees protection of personal data on its territory, at least as they apply on Polish territory, or when the person of the data subject has given his consent in writing or transfer is necessary for the performance of a contract between the data controller and the person, the data subject or there is at least one of the conditions set out in Art. 47 paragraph 2 and 3 of the Law on the protection of personal data. United States of America belong to a third country which is not giving a guarantee of adequate protection of personal data. In order to not inhibit the economic exchange Combined Economic, also in terms of databrokering, US Department of Commerce in consultation with the European Commission worked out an agreement in the framework of the program "Safe Harbor". Entity who joins the program "Safe Harbor" gets a special certificate, which is to guarantee an adequate level of protection of personal data, at least as it is in the countries belonging to the European Economic Area. This is reflected in Article 16 and 17 of Directive 95/46 y / EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data.

The list of documents governing the right of security of personal data and influencing the databrokers activities:

1. National:

- The Act of 29 August 1997. On the protection of personal data. (Unified text: Dz. U. 2002, No. 101, item. 926, as amended).
- Regulation of the Minister of Internal Affairs and Administration dated 11 December 2008. On the model to submit the system for registration of the Inspector General for Personal Data Protection (Dz. U. of 2008, No. 229, item. 1536).

- Regulation of the Minister of Interior and Administration of 29 April 2004. On personal data processing documentation and technical and organizational conditions which should be fulfilled by devices and computer systems used for processing personal data (Dz. U. of 2004, No. 100, item. 1024).
2. European:
- Directive 95/46/EC of the European Parliament and of the Council EC of 24 October 1995. On the protection of individuals with regard to the processing of personal data and on the free movement of such data.
 - Directive 2002/58/EC of the European Parliament and of the Council of 12 July 2002. Concerning the processing of personal data and the protection of privacy in the electronic communications sector (Directive on privacy and electronic communications).
 - Directive 2009/136/EC of the European Parliament and of the Council EC of 25 November 2009. Amending Directive 2002/22/EC on universal service and related networks and services of electronic communications, Directive 2002/58/EC concerning the processing of personal data and the protection of privacy in the electronic communications sector and Regulation (EC) No 2006/2004 on cooperation between national authorities responsible for the enforcement of consumer protection laws.
3. International:
- Recommendation of the Organization for Economic Cooperation and Development (OECD) of 23 September 1980. On guidelines for the protection of privacy and transfer of personal data between countries.

Databrokering (databrokerage) and infobrokering (information professionals; infobrokerage) comparison

To emphasize how diverse activities formed as the resolute of information culture in networked society it is important to make a comparison between two information professions, which differ not only in business activities but also in ethics. A similar activity to databrokering but only superficially is infobrokering (information entrepreneur, information brokerage). After getting into details of the information broker work's characteristics and into approach to running information business turns out that there is lots of differences. The table below presents the results of a comparison of these activities.

Tabel 1. Databrokerage and infobrokerage comparison

Databrokerage and infobrokerage comparison	
Databroker	Infobroker
Type of client: institutional	Type of client: individual and institutional
Distribution of proprietary databases or parts thereof, which was built on basis of personal data obtain from various sources. Databroker mediates between assets of the company and the business customer or trading partner. To collect data they using their own methods and content of partners network.	Mediation between various external information resources
Activity based on the functioning of a large company, requiring a large amount of employees and cooperation with the network mode of distribution and exchange of personal data.	Activities based on the work of the independent broker, self-employment, small business.
The transaction is subjected to a set of data or profiled rental service of databases. Databroker aggregates data for specific type of clients. The degree of data processing is minimal.	Information Services are subject of the transaction. Infobroker does not generate new content only converts already existing data and information.
They use only legitimate source of data. Ethics of the profession based on legal regulations and possibilities to act within the law.	They are using only legitimate source of data. Work ethics are based on the code of ethics – not legal regulations.
Skills of databroker includes operations on raw data, their minimal processing and building relationships between them. Company collects personal information to database buys databases from other databroker, converts them to the appropriate form, creates relationship systems between data records and selected data for clients.	Skills of infobroker includes the ability to process information into a product tailored to the needs of the user. Infobrokers don't create a new data. They collect information from selected sources and adjust it to individual customer needs. They are intermediaries between the source and the client.

Additional services: software as a services, marketing services, targeted advertising, creating strategies and analysis of big data.	Broker skills are focused on information mediation. Specifies the information needs of client. Searches the information, filters, processes and gives an accreditation by his name. Satisfies client's the information needs.
Product is a tool/utility for the customer	Product is a source of information use to build knowledge and making business decisions.

Source: own study, 2015.

Conclusion

As it has been demonstrated, activity of databrokering company's it is not fully defined in Polish law although it can be found a references that govern the actions of databrokers. Local govern rules according to some information categories are examples that even if information culture functions on the global scale there are still some mechanisms that affects the formation of local or national information cultures. It should be noted that databrokering companies represent a huge information market branch about international nature and the local law is not fully sufficient to regulate the activities in global information culture scale. The article presents number of documents that define databrokering for the needs of international trade in personal information and the number of international documents that safeguard the rights of citizens against abuses and dangers in regard to the processing of personal data at local scale. These problems are directly linked to information culture and security culture in network society. Number of detailed and personal informations about consumers tends to reflect on the protection of citizens' privacy and the possibilities of their use in third countries. In particular, in a situation in which the clients of databrokering companies can be not only government institutions but other commercial firms. In Polish perspective it should be noticed that every information which is gathered by databrokers is transfered abroad by the permission of customers. In the case of US, according to program "Safe Harbor", data can be transferred only if the company ensures appropriate data security conditions. US market, which has the highest scale of growth in databrokerage does not fulfill the basic requirements of legislative and technical measures on personal data protection. In such situation there are arising doubts to whether the data which were released abroad are actually safe and if their usage is providing with respect of local law of European Union, and about whether US citizens can be assured that national conditions guarantied safety of their identity and that their rights are adequately protected.

Sources

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Abstract

Information market in network society is an divergent and wide branch of global economic. Business activities based on the information takes many forms, from small and medium-sized enterprises to the giant media corporations and companies which build their capital based on personal data information trafficking. This diversity in business activity related to information is also the determinant of the emerging information culture on local and global scale. The paper presents the image of databrokerage market on international and Polish scale, mainly in the field of information culture. The purpose of this article is to characterize information and data industry, conduct a coherent presentation of the databrokerage concept and analyze basic regulations that shape that business. It was deliberately pointed out that the diversity of companies in the

information market is a fact which creates a broad spectrum to growth in the information industry for many information specialists. According to this thesis it was conducted a comparison of the characteristics of two extremes cases of market representatives.

Keywords: databrokering, databrokerage, information culture, personal data

Databrokering (databrokerstwo) w perspektywie kultury informacyjnej

Streszczenie

Rynek informacji w społeczeństwie sieciowym stanowi bardzo zróżnicowaną i szeroką gałąź gospodarki. Działalność biznesowa oparta o informację przybiera wiele form, od małych i średnich przedsiębiorstw do dużych medialnych korporacji oraz firm, które budują swój kapitał w oparciu o transfer informacji zawierających dane osobowe. Zróżnicowanie aktywności biznesowych związanych z informacją stanowi wskaźniki kształtującej się kultury informacyjnej w skali globalnej i lokalnej. Opracowanie prezentuje obraz rynku danych osobowych jako odzwierciedlenie problemów, które dotyka kategoria kultury informacyjnej. Celem artykułu jest charakterystyka databrokeringu, w której przedstawiony zostanie w sposób przeglądowy koncepcja takiej działalności oraz analiza podstawowych regulacji prawnych kształtujących tę działalność. Dla uwidocznienia różnorodności rynku informacji w skali globalnej i lokalnej kultury informacyjnej zostało dokonane porównanie dwóch skrajnych przedstawicieli tego rynku – databrokerów i infobrokerów.

Słowa kluczowe: brokerzy danych osobowych, databrokerstwo, dane osobowe, kultura informacyjna