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August 13, 2008

Hon. John D. Dingell, Chairman
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515-6115

Hon. Joe Barton, Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515-6115

Hon. Edward J. Markey, Chairman
Subcommittee on Telecommunications
and the Internet
U.S. House of Representatives
Washington, DC 20515-6115

Hon. Cliff Stearns, Ranking Member
Subcommittee on Telecommunications
and the Internet
U.S. House of Representatives
Washington, DC 20515-6115

Gentlemen:

The following sets forth the response of WOW! Internet, Cable and Phone (“WOW”) to your series of questions concerning WOW’s participation in tailored internet advertising and the impact it could have on privacy.

By way of background, WOW is a competitive provider of cable and broadband-related services with operations limited to selected communities in or proximate to Chicago, IL, Detroit, MI, Columbus, OH, Cleveland, OH, and Evansville, IN. As a competitive provider, WOW has a recognized commitment to customer service, along with a concomitant commitment to customer privacy. Within that context, WOW, like a number of other providers of cable and broadband-related services from whom you have requested information, engaged the services of a third party provider of tailored advertising services, NebuAd, Inc.

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

Yes. For approximately four months (beginning in early March, 2008 and terminating throughout WOW’s service areas on July 8, 2008) NebuAd Services (described in further detail in response to Question 2) were available to WOW’s high speed data (“HSD”) customer base of approximately 330,000. Beginning approximately two months prior to this deployment period, an evaluation and testing phase was conducted followed by installation of the NebuAd platform on a region by region basis. Given our commitment to customer service and customer privacy, and in recognition of the issues raised by this Committee, privacy advocates and others

subsequent to WOW's deployment of the NebuAd Services, WOW voluntarily elected to notify NebuAd on June 30, 2008 to discontinue deployment of all NebuAd Services.

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.*

As represented by NebuAd, NebuAd Services use non-personally identifiable information (NPII) to serve targeted Internet advertising to HSD users. Prior to any deployment of the service, NebuAd assured WOW that: (i) there would be no collection or use of personally-identifiable information; (ii) no raw data linked to identifiable individuals would be stored; and (iii) state-of-the-art security would be used to protect any information stored.

NebuAd developed and implemented these various restrictions using its internal technology and procedures. NebuAd Services used only a select set of a user's Internet activities (that is, only a subset of HTTP traffic) to construct anonymous inferences about the user's level of qualification for a predefined set of market segment categories, which were then used to select and serve the most relevant advertisements to that user. The NebuAd Services did not collect or use any information from password-protected sites (e.g., HTTPS traffic), web mail, email, instant messages, or VOIP traffic nor did they use any market segment data deemed to be sensitive, illegal, unethical or misleading (including information involving a user's specific health, financial or other sensitive personal matters).

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.*

See introductory paragraph and response to Question 1.

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

See response to Question 1.

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.*

Prior to evaluation, testing and deployment, WOW's legal advisors undertook a review of existing law as well as the opinions and assurances provided by NebuAd, its legal counsel and privacy advisors with respect to safeguarding customer privacy in the context of providing the NebuAd Services within the limitations described in response to Question 2. Based upon such review, WOW was satisfied that the NebuAd Services met applicable privacy requirements.

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.*

Recognizing both the importance of customer privacy and the evolution of tailored Internet advertising concerns and corresponding statements of best practices, WOW has provided numerous notifications to its HSD customers of tailored Internet advertising, with accompanying opportunities to opt out of such advertising, beginning with the commencement of the HSD customer's service and, thereafter, through multiple notifications as listed below:

- A. Customer Terms of Service and Internet Privacy Policy (see attached excerpts) specifically describing the use of tailored Internet advertising accompanied by opt out exercise instructions have been historically provided to WOW's HSD customers as a condition to installation and ongoing service (in addition, customers are periodically referred to this same information online).
- B. Approximately four weeks prior to full commercial deployment of the NebuAd Services, the following notifications were provided: (1) Customer Terms of Service and Internet Privacy Policy were modified (see attached) to specifically reference NebuAd Services and to reaffirm the opt out capability; (2) a "Third Party Advertisers" link was added to WOW's website directing customers to information concerning the NebuAd Services and the ability to opt out of those services; and (3) WOW's online FAQs were updated to describe the NebuAd services, as well as the ability of a customer to opt out of those services.
- C. Additional notifications to HSD customers regarding NebuAd Services were instituted over a period of two months following deployment in an effort to meet or exceed evolving best practices surrounding notification to customers and opt out features as communicated by NebuAd, including: (1) e-mail messaging and hard copy letter to all HSD customers of the NebuAd Services and the opt out link (see attached); (2) revised work order language directly referring the customer to tailored Internet advertising and the opt out capability; and (3) placement of a message on all billing statements reminding customers to review privacy related terms and conditions accompanied by a direct link.

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.*

See response to Question 6.

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

NebuAd did not track the number of consumers opting out; rather, their reports showed over the course of deployment of the NebuAd Services 3,355 opt-outs, with an indeterminate number of those opt-outs being exercised by the same customer.

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.*

Yes. See response to Questions 5 and 6.

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

No personally identifiable information was collected or used by NebuAd. Furthermore, NebuAd did not retain any raw data (e.g., URLs navigated or other non-personally identifiable information) associated with a customer's use of the Internet; rather, this non-personally identifiable information was used to construct anonymous inferences about the customer's level of qualification for a predefined set of market segment categories ("anonymous user profiles"). In turn, these anonymous user profiles for all WOW customers receiving NebuAd Services were destroyed by NebuAd.

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.*

WOW does not correlate data regarding consumer Internet use. At no time during WOW's brief engagement with NebuAd did NebuAd have access to or correlate any personally identifiable information.

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As described above, WOW discontinued any deployment of NebuAd Services approximately a month and a half ago recognizing the need for further guidance in this evolving area. Accordingly, we welcome the Committee's efforts.

Very truly yours,

WOW! Internet, Cable and Phone

A handwritten signature in black ink, appearing to read "D. Craig Martin". The signature is fluid and cursive, with a large initial "D" and a long, sweeping underline.

**D. Craig Martin
General Counsel**

CUSTOMER NOTIFICATIONS SUMMARY

Internet Privacy Policy:

“Use of Third Party Ad Networks

WOW may allow other companies, called third-party ad servers or ad networks, to display advertisements on WOW web pages. Some of these ad networks may place a persistent cookie on your computer. Doing this allows the ad network to recognize your computer each time they send you an online advertisement. In this way, ad networks may compile information about where you, or others who are using your computer, saw their advertisements and determine which ads are clicked on. This information allows an ad network to deliver targeted advertisements that they believe will be of most interest to you. WOW does not have access to or control of the cookies that may be placed by the third-party ad servers or ad networks.

Ad networks that use persistent cookies may offer you a way to opt out of ad targeting. You may find more information at the website of either the individual ad network or the Network Advertising Initiative.”

Customer Terms of Service:

“Your privacy interests, including your ability to limit disclosure of certain information to third parties, is described in the WOW! Internet Privacy Policy which we delivered to you at the time of the original installation of the Service, and will deliver to you annually as long as you receive the Service. You acknowledge your receipt of the WOW! Internet Privacy Policy and your express consent to the terms of that privacy policy. You agree that WOW! may, from time to time, collect information concerning your use of the Service in the manner and for the purposes set forth in WOW!'s Internet Privacy Policy. As part of WOW!'s ongoing efforts to improve the quality of WOW!'s services, WOW! or someone acting on its behalf may engage in the anonymous monitoring of Internet activity. This means that a Customer's session may be tracked, but the identity of the Customer will remain anonymous. This process does not capture or transmit any personally identifiable information. Should you not wish your information to be used in such a manner, you can notify WOW! at www.wowway.com/privacy.”

Modified Customer Terms of Service:

“Your privacy interests, including your ability to limit disclosure of certain information to third parties, are described in: (i) the WOW! Customer Privacy Policy which we delivered to you at the time of the original installation of the Service, and will deliver to you annually as long as you receive the Service; and (ii) the WOW! Internet Privacy Information Statement, which is available for your review at www.wowway.com. You acknowledge your receipt of the WOW! Privacy Policy and WOW! Internet Privacy Information Statement, and, by using the Service, you consent to the terms of that privacy policy and information statement. You agree that WOW! may, from time to time, collect

information concerning your use of the Service in the manner and for the purposes set forth in WOW!'s Privacy Policy and Internet Privacy Information Statement. As more particularly described in our Privacy Policy and Internet Privacy Information Statement, WOW! or someone acting on its behalf may engage in the anonymous monitoring of your Internet activity. This means that a Customer's session may be tracked, but the identity of the Customer will remain anonymous. This process does not store any personally identifiable information. For example, we use an advertising network provider to deliver or facilitate delivery of advertisements to our Customers while they are surfing the web. These advertisements are based on our Customers' anonymous surfing behavior while they are online.

The use of cookies, web beacons, or other technologies by our advertising network provider(s) is subject to their own privacy policies. Also, if you do not want the benefit of online targeted advertising, you may opt out. You can review additional information about our third party ad network providers and information regarding your ability to opt out by visiting <http://www1.wowway.com/customer/customer.aspx?ConIdent=2&RCView=Nothing>.

Modified Internet Privacy Statement:

“Third Party Advertisers

We use an advertising network provider, NebuAd, to deliver or facilitate delivery of advertisements to our users while they are surfing the web. These advertisements are based on users' anonymous surfing behavior while they are online. This anonymous information does not include users' name, email address, telephone number, or any other personally identifiable information. The ad network operates by observing anonymous user activity across the Internet. Personally Identifiable Information (PII) is never stored and so can never be used to deliver tailored ads to you. Using only non-personally identifiable information, the ad network estimates a user's interests in certain product or service categories, such as automobiles/sports cars or travel/Europe, etc. In addition to ensuring that all information used in this process is anonymous, none of the original non-personally identifiable information (such as historical web pages or search queries) associated with a user's interests is ever stored at all. This provides an additional layer of privacy protection.

You can review additional information about our third party ad network provider by visiting <http://www1.wowway.com/customer/customer.aspx?ConIdent=2&RCView=Nothing>. If you would like more information about our third-party ad serving company and its privacy policies or regarding your ability to opt-out of its targeting advertising, please visit <http://www.nebuad.com/privacy/servicesPrivacy.php> and <http://www.nebuad.com/privacy/optout.php>.

We may also use an advertising network provider (or providers) to help present advertisements on our website. These advertising network providers use cookies, web

beacons, or similar technologies on the hard drive of your computer to serve you advertisements tailored to interests you have shown by browsing on this and other websites you have visited. It also helps determine whether you have seen a particular advertisement before and in order to avoid sending you duplicate advertisements. In doing so, the advertising network providers collect non-personally identifiable information such as your browser type, your operating system, web pages visited, time of visits, content viewed, ads viewed, and other click stream data.

The use of cookies, web beacons, or similar technologies by these advertising network providers is subject to their own privacy policies, not WOW!'s privacy policy for this website or its Service. If you do not want the benefits of this advertising, you may opt-out by visiting http://www.networkadvertising.org/consumer/opt_out.asp."

Email Message and Customer Letter:

"Dear WOW! Customer,

From time to time we update our Privacy Policies. You can always find our most recent Terms & Conditions on our website at wowway.com. This notice is to specifically call your attention to an update we have made regarding Third Party Advertisers.

Please rest assured that WOW! does not and will not share Personally Identifiable Information with any advertiser. The term "Personally Identifiable Information" or "PII", means any information collected online about a user, such as a first and last name, a physical street address, an email address, a telephone number, or a social security number, that permits the identification of particular persons.

WOW! has entered into an agreement with a third party advertiser, NebuAd, who through their advertising network will provide tailored advertising services using non-personally identifiable information. These advertisements will be based on users' anonymous surfing behavior while they are online. This anonymous information will NOT include those users' name, email address, telephone number, or any other personally identifiable information. The information observed is non-personally identifiable and anonymous and cannot, by itself or in combination, identify a specific person.

You will NOT get any more advertising online than you already get. The benefit that this third party advertising network provides to you is that it can display advertisements to you that are more likely to be related to your interests. The ad network does not tailor ads to children under the age of 13, nor does it track or display advertisements related to any adult content. You will not see any more ads than you would otherwise see, nor will these ads be any more intrusive or different from standard ads across the Internet.

If you would like to opt out, go to <http://www.nebuad.com/privacy/optout.php>. By opting out you will continue to receive advertisements as normal, except these advertisements will be less relevant and less useful to you.

If you would like more information about our third-party ad serving company and its privacy policies, please visit <http://www.nebuad.com/privacy/servicesPrivacy.php>.

We care about protecting your privacy. Please visit wowway.com for detailed information about our policies or to seek answers to frequently asked questions.“