



February 14, 2023

Mayor Karen Bass  
200 N. Spring St. Room 303  
Los Angeles , CA 90012

City Attorney Hydee Feldstein Soto  
200 N. Main Street, Room 800  
Los Angeles, CA 90012-4131

Board of Public Works Commissioners  
200 N. Spring St. Room 361  
Los Angeles, 90012

Dear Mayor Bass, City Attorney Feldstein Soto, and Board of Public Works Commissioners,

As an advocate of consumer privacy issues, Consumer Watchdog writes to you with concern regarding an impending explosion of digital display advertising on our city sidewalks that will violate state privacy law unless you take action.

A change to the city's municipal code has broadened the definition of outdoor advertising, allowing our public streets to be populated with digital ads that track us. And recently approved city contracts with Tranzito-Vector to build bus stop shelters, along with a recent motion by the city council to contract with IKE Smart City to install digital kiosks on our streets, all will be branded with digital display advertising. These digital ads are also in addition to the nearly 100 digital billboards coming to LA streets that were approved last month by the Metropolitan Transportation Authority.

Personal data is big business, and the city has auctioned off the public right of way to the tech-advertising industry, which is keen to profit off our personal data, without guaranteeing the privacy rights Californians are now entitled to.

These ads raise serious privacy concerns and appear to violate state law. The city's contract with Tranzito-Vector, which will allow for 700 digital ads on its bus shelters, says, "The contractor may propose opportunities to monetize the data collected from the Elements, technologies and programs developed for STAP."

And according to the city's new Sidewalk Transportation Amenities Program (STAP), under which the contract for new bus stop shelters will be executed, the stated purposes for data collection include "allow advertising that utilizes location-based technologies that can activate or display mobile content to the public."

In other words, the tracking of people's movements and their personal information can be shared or sold. Under California's newly modified California Consumer Privacy Act (CCPA), which took effect last month, geolocation falls under the category of "sensitive personal information" that a person has a right to stop from being collected or shared with third parties. The CCPA provides that such data shall not be collected unless notice is provided "at or before the point of collection." There is no plan for how the public will be noticed so it can opt out of such tracking and the very nature of marketing makes it almost infeasible for a consumer to be given that right at the point of collection.

It is also not known what the city intends to do with the data. But we do know what advertisers look for. As the CEO of Clear Channel, the largest outdoor ad company in the world, told the *Financial Times*:

"We can follow your movement to a store," said William Eccleshare. "We can follow what you purchase. And yes, we can look at your viewing habits that evening if you pass an ad for a Netflix show."

These digital display ads latch onto mobile phone location data and give valuable insight, such as where you go or what you do after you see an ad. Did you buy or look up that product? Did you stream that show?

With the recent change in the Los Angeles Municipal Code to allow for electronic advertising in the public right-of-way, an overpopulation of digital ads on our public streets is imminent. The city must conform to the law and guarantee that there be adequate notice at the point of collection.

The fact is the nature of the Tranzito-Vector contract is adverse to these privacy rights. Who would agree to be tracked by a billboard if they were texted or noticed about it when the billboard identified their phone? Would advertisers really agree to tell people that they are being surreptitiously stalked by a billboard company?

Having more shelters will help protect the city's most vulnerable population from the heat associated global warming. However, we can have privacy and our shelters too.

We ask that you take a deeper look at these contracts for compliance with the new privacy law, and to take greater sensitivity in approving such contracts in the future. The public deserves to know what will be done with their personal data, and how it will be told about that data collection.

As people come to understand that data has become an important extension of themselves—something they should have fundamental control over, like a social security number or address—they can take back what is theirs, empowered by progressive laws like the California Consumer Privacy Act.

Best,

Justin Kloczko, Consumer Watchdog

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