UK Privacy Watchdog Hits Data Firm With 1st GDPR Notice

By <u>Ben Kochman</u>

Law360 (September 21, 2018, 9:19 PM EDT) -- Britain's data privacy watchdog has hit a Canadian data analytics firm that reportedly produced targeted advertisements for pro-Brexit campaigns with the first-ever enforcement notice under the <u>European Union</u>'s new General Data Protection Regulation.

The U.K. Information Commissioner's Office says analytics firm AggregateIQ breached the GDPR's rules about being transparent about its use of personal data when it allegedly micro-targeted potential voters on social media using data received from the Vote Leave and BeLeave campaigns. The ICO sent the firm the notice back in July, but media reports about the action first surfaced on Thursday after a blog post from Britainbased law firm Mishcon De Reya LLP.

AIQ violated the GDPR's Article 5 and Article 6 because it "processed personal data in a way that the data subjects were not aware of, for purposes that they would not have expected, and without a lawful basis for that processing," the regulator said in its notice. "Furthermore, the processing was incompatible with the purposes by which the data was originally collected."

AIQ also breached GDPR's Article 14 because it did not let the potential voters know that it had received their data from a third party, the ICO said. In a letter dated July 6, the watchdog called for AIQ to, within 30 days, stop processing personal data received from political campaigns "or otherwise" for data analytics, political campaigning or "any other advertising purposes."

Though the data had been collected before the GDPR's May 25 start date, AIQ was still holding it as of May 31, leaving it liable under the GDPR, the ICO said.

According to the ICO, the company sent targeted social media advertisements to voters in the run-up to the Brexit referendum. <u>Facebook</u> said in a press release that AIQ spent \$2 million on Brexit-related advertisements on its platform alone.

The company said Friday that it is appealing the notice, but had no further comment. It

faces fines of up to 4 percent of its annual global revenue if its appeal is unsuccessful or if it is deemed to not have complied with the enforcement order.

Stakeholders on all sides of the privacy world have been closely watching how EU regulators will use their new powers under the GDPR since its implementation. The new law puts the onus on companies to legally justify their data use and gives EU citizens a set of rights, including the right to request that their data be deleted in some cases.

Within hours of the GDPR coming on the books, a slew of big tech companies <u>faced</u> <u>complaints</u> that they had illegally "hinged" access to services on a subject's consent to data collection. Cases against <u>Google</u>, Facebook,<u>Instagram</u>, WhatsApp and others are still pending.

--Editing by Alanna Weissman.