Model Contract Clauses

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The European Commission is preparing a model contract in relation to the transfer of personal data from the EU to countries without adequate data protection laws.

The model contract is expected to go to the European Parliament in March and to be approved by May 2001. It will be able to be used in a variety of circumstances including a transfer within an international group of companies and transfers amounting to licences for the use of data (for example, for direct marketing).

The model contract may not be as user-friendly as was hoped. Under it, a data importer will undertake to process personal data in accordance with the laws of the state of establishment of the data controller.

As there are differences in implementation of the EU data protection directive, this may result in administrative burdens.

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Web Bugs and Internet Advertising

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Introduction

"Web bugs" is one of the names given to an increasingly popular Internet monitoring device that has become a recent target of privacy advocates. Web bugs are most commonly found on the World Wide Web, where they are often used in conjunction with the more innocently named "cookies", as part of the tracking used in Internet advertising campaigns.

Because of the increasing integration of the World Wide Web with other software applications, it is also possible for web bugs to be planted in documents created using programs such as word processors. Often the process of linking the (invisible) web content into such a document happens without the user even being aware that the Internet is being connected to. Such web bugs could allow a document's author to track if, when and where the document is being read and how it is being passed on to different users. A similar technique can also be used to monitor written messages attached to forwarded emails. These uses of web bugs are still not widespread, and so this article will focus on the more common use of web bugs in the internet advertising context.

How do they work?

First, a quick primer on cookies. Cookies are small text files placed on a user's computer when a website is accessed, which allow that website to recognise the cookie when that computer is used to return to the website on another occasion. The cookie tells the website that "this is the same computer that was here last Wednesday", although it may not actually be the same user on that computer.

Web bugs are website graphics which serve the additional purpose of monitoring who is reading the web page. However, these "graphics" are often invisible to web users, as in many cases they are 1x1 pixel in size, with no border and the same colour as the page background. They are also known as "1-by-1 GIFs", "clear GIFs" and "invisible GIFs".

This should make more sense if we get straight to an example. Our four players are the advertisers (the companies that wish to advertise their products and services on third party websites), the ad hosts (whose websites display the ads), the network advertisers (who act as intermediaries between the advertisers and ad hosts) and, of course, the internet users.

Let us say a user accesses an ad host's home page. That page would contain the ad host's own content, as well as content in the form of a banner ad which is automatically served to the ad host's home page from a network advertiser's server. The banner ad would advertise the products or services of an advertiser and, if clicked on, would usually link to the advertiser's website. In this example