



News / Canada

## Bell faces \$750M lawsuit over advertising program

Bell Canada is facing a \$750 million class action lawsuit over a program that tracked its users' internet usage to sell advertising



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Privacy Commissioner Daniel Therrien's office ruled last week that Bell's Relevant Advertising Program violated Canadian privacy laws, and urged Bell to change the program to require their customers' explicit consent.

By: **Alex Boutilier** Staff Reporter, Published on Thu Apr 16 2015

OTTAWA—Bell is facing a \$750-million class action lawsuit over a controversial advertising program that tracked customers' Internet, telephone and television usage to sell advertising.

The lawsuit alleges Bell broke privacy laws, their contractual obligations, and the Telecommunications Act through their Relevant Advertising Program (RAP), according to a statement from the lawyers involved in launching the suit.

Bell's RAP sought to track customers' Internet, telephone and television habits — including specific websites visited — to create profiles for third-party advertisers. [Bell discontinued the program](#) this week, after the federal privacy watchdog ruled it violated Canadian privacy law.

The lawsuit was launched by Windsor-based [Sutts, Strosberg LLP](#) and Toronto's Charney Lawyers.

Ted Charney said he believes customers should be compensated for Bell monitoring their activities for advertising purposes while still paying a monthly fee for cellphone, Internet and television services.

"We think \$750 million is a very conservative number," Charney said Thursday evening.

"We think that customers are entitled to a refund for all, or a substantial portion of the fees they've been paying for the last year and a half, while they've been paying user fees or monthly data plans, Bell (has been) monitoring all their activity and filing customer profiles, using (them) to generate revenue

that people were not aware of it or certainly didn't understand the extent of it, and didn't have a chance to opt out of it.”

Reached late Thursday evening, Bell spokesperson Jacqueline Michelis said the company had no comment.

Bell announced the program in August 2013, and the company said it notified the initial 5,000,000 customers involved in the months that followed. Bell offered those customers an opportunity to opt-out of the program through following prompts on their customer service website.

The idea was that Bell would act as a middle man between their customers and third-party advertisers, connecting the advertisers to user profiles that fit their target demographic.

Last week, Privacy Commissioner Daniel Therrien's office ruled that RAP violated Canadian privacy laws, and urged Bell to change the program to require their customers' explicit consent.

The problem is, once people have to expressly consent to being tracked, not as many people will choose to be involved in a program that requires a massive amount of data.

Bell initially refused the privacy watchdog's recommendation, but agreed hours after the report was released publicly. Therrien was unconvinced, saying publicly that he's prepared to seek a federal court order for Bell to change the program.

This week, Bell agreed to withdraw the program altogether and said any [future programs would require an explicit, opt-in choice](#).

Last year, a Bell senior executive told a Senate committee that the company was simply trying to keep up with the targeted ad programs of Internet giants like Google and Facebook.

“We're used to (targeted ads), we see that all the time, and we think, ‘This is convenient. This is a better mousetrap than ever before.’ Those recommendation engines these vast, global companies are using are based on data mining,” Mirko Bibic, Bell's executive vice-president of regulatory affairs, told senators last April.

But privacy advocates argue that a telecommunications firm that has access to sensitive information like location, financial data, and Internet traffic is a different breed when it comes to their users' information, unlike Facebook, which is an opt-in service.