

Feds probing Carrier IQ

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Federal investigators are probing allegations that Carrier IQ software found on about 150 million cellphones tracked user activity and sent the information to the cellphone companies without informing consumers, according to government officials.

Executives from Carrier IQ traveled to Washington Tuesday and met with officials at the Federal Trade Commission, which is responsible for protecting consumers and enforcing privacy laws. The executives also met with the Federal Communications Commission.

The controversy over the software company, based in Silicon Valley, erupted a few weeks ago when security researcher Trevor Eckhart discovered evidence that a piece of software developed by the company and found on smartphones, captured every keystroke and text message written by users and sent the information on the handsets to carriers.

The FTC probe was confirmed by officials who spoke on condition of anonymity because it is private. An FTC spokeswoman said she could not confirm or deny whether the agency was investigating Carrier IQ. But a spokeswoman for Carrier IQ said that company executives were cooperating with federal investigators.

"We are complying with all investigations at this time as we have nothing to hide," said Mira Woods, of Carrier IQ's marketing communications department. "We have been completely transparent through this process."

Carrier IQ has said its software is not designed to capture keystrokes or the content of messages, but in some cases that may have happened by accident. The data is intended to help improve user experience with smartphones, the company said.

Woods said that Carrier IQ chief executive Larry Lenhart and Andrew Coward, the company's senior vice president for marketing met with federal regulators at the FTC and the FCC. The Carrier IQ executives also met with some congressional staffers.

Three of the four major cellular providers — AT&T, T-Mobile, and Sprint — have said they use the company's software in line with their own privacy policies. A Verizon spokesman said the program is not present on any of the company's mobile devices. Apple has said it would remove Carrier IQ from iPhones in a future software update.

Rep. Edward J. Markey (D-Mass) asked the FTC Dec. 2 to investigate the practices of Carrier IQ, as a possible unfair or deceptive act or practice.

"I have serious concerns about the Carrier IQ software and whether it is secretly collecting users' personal information, such as the content of text messages," said Markey, co-chairman of the Congressional Bi-Partisan Privacy Caucus. "Consumers and families need to understand who is siphoning off and storing their personal information every time they use their smartphone."

Markey said that the Carrier IQ software raises a number of privacy concerns for smartphone users, in a letter he wrote to FTC Chairman Jon Leibowitz. Leibowitz could not be reached for comment.

While Carrier IQ executives were meeting with federal regulators, another controversy erupted in the blogosphere about the company. A response by the Federal Bureau of Investigation to a reporter sparked rumors that the bureau itself was using the software for domestic surveillance.

The FBI denied a request for information regarding Carrier IQ, filed by a reporter of Muckrock News under the Freedom of Information Act. The reporter had asked for manuals, documents or other written guidance used to access or analyze data gathered by any Carrier IQ program. In denying the request, the FBI said it had information, but could not disclose it because the information was considered "law enforcement records."

"The information you requested is located in an investigative file which is exempt from disclosure," the FBI wrote reporter Michael Morisy.

FBI spokesman Paul Bresson declined to comment on whether the FBI was investigating Carrier IQ or using the software itself for surveillance purposes.

Carrier IQ has released a report that shows the company collects information about carrier networks, data transmission speeds, phone numbers called, web sites visited, and battery life. The company also released a statement about Carrier IQ and the FBI, saying that their data "is not designed for law enforcement agencies and to our knowledge has never been used by law enforcement agencies."

"Carrier IQ [has] no rights to the data gathered and [has] not passed data to third parties," the statement said. "Should a law enforcement agency request data from us, we would refer them to the network operators. To date and to our knowledge we have received no such requests."

Carrier IQ first came under scrutiny on Nov. 28 when Eckhart posted a YouTube video, explaining his discovery that Carrier IQ records information about app activity and battery life and appeared to take note when users press any key on the phone or when they compose text messages.

The backlash following Eckhart's research has prompted several lawsuits against the company, mobile carriers and handset makers, including two class action lawsuits in Illinois.

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