

Verizon - 180344
Privacy Podcast w/ Karen Zachara - Transcription
April 26, 2018

>> WELCOME BACK TO UP TO SPEED.

A VERIZON PODCAST.

PRIVACY AND THE WAY THAT DATA IS SHARED HAS TAKEN CENTER STAGE RECENTLY.

MARIE MCGEHEE CAUGHT UP WITH VERIZON'S CHIEF PRIVACY OFFICER, KAREN ZACHARIA TO DISCUSS THE CURRENT ENVIRONMENT IN THE TECH WORLD, WHAT PRIVACY MEANS TODAY, AND HOW IT COULD EVOLVE IN THE FUTURE.

>> HEY, EVERYONE, IT'S MARIE AND TODAY WE'RE MEETING WITH VERIZON'S CHIEF PRIVACY OFFICER, KAREN ZACHARIA.

KAREN, HOW ARE YOU TODAY?

>> I'M GREAT.

>> THANKS FOR JOINING US.

SO... LET'S GET STARTED.

TELL US ABOUT YOURSELF.

>> SO... YOU KNOW, I'VE WORKED AT VERIZON, OR REALLY, I STARTED WITH THE COMPANY, A DIFFERENT NAME, A PREDECESSOR COMPANY, BUT... I'VE BEEN HERE FOR 24 YEARS AND ONE OF THE THINGS THAT AMAZES ME ABOUT IT IS THAT WHEN I FIRST CAME HERE, I THOUGHT I WASN'T GOING TO LIKE THE PEOPLE AND I WOULDN'T LIKE THE WORK AND ONLY STAY FOR A YEAR.

I WAS SURPRISED, THE PEOPLE HAVE BEEN FANTASTIC, HARD-WORKING, REALLY FOCUS ON THEIR JOBS, VERY SMART.

THE FACT THAT I LOVE MY JOB SO MUCH SURPRISES ME EVEN MORE.

IT'S REALLY BECAUSE THE TECHNOLOGY HAS CHANGED SO MUCH AND SO, I'VE GOTTEN TO DO SO MANY DIFFERENT THINGS AND THE JOB HAS JUST EVOLVED OVER TIME.

>> CONSIDERING HOW MUCH TECHNOLOGY IS CENTRAL TO OUR LIVES, FROM ORDERING COFFEE FROM THE APP ON YOUR PHONE TO CALLING AN UBER, WHAT'S IT LIKE BEING THE CHIEF PRIVACY OFFICER AT A MAJOR TECH COMPANY TODAY?

WHAT'S YOUR DAY-TO-DAY LIKE?

>> WELL... ONE THING I CAN TELL YOU, IT'S NEVER DULL.

AND YOU KNOW, I OFTEN COME INTO THE OFFICE AND THINK THERE'S A SET NUMBER OF THINGS I'M GOING TO GET DONE TODAY, AND OFTEN I'M SURPRISED BY THE NEW THINGS THAT COME IN AND THAT I HAVE TO WORK ON.

I GENERALLY THINK OF MYSELF AS FOCUSING ON THREE BIG AREAS, ONE IS NEW PRODUCTS, WITH MY TEAM, WE SPEND A LOT OF TIME LOOKING AT NEW PRODUCTS AND DOING SOMETHING KNOWN AS PRIVACY BY DESIGN, THINKING ABOUT, FROM THE GET-GO, WHEN THE COMPANY'S LAUNCHING A NEW PRODUCT, HOW TO MAKE SURE WE'RE EMBEDDING PRIVACY FROM THE BEGINNING.

>> MM-HMM.

>> AND WE SPEND A LOT OF TIME THINKING ABOUT COMPLIANCE ISSUES, SOUNDS A LITTLE BORING, BUT IT'S REALLY MAKING SURE THAT WE'RE COMPLYING WITH THE LAW AND... THAT COULD BE ANYTHING FROM A LAW THAT WE HAVE IN THE UNITED STATES, TO PROTECT CHILDREN, TO IF WE HAVE SOME KIND OF DATA SECURITY INCIDENT, MAKING SURE THAT WE'RE HANDLING IT IN A WAY THAT'S CONSISTENT WITH THE LAW AND PROVIDING APPROPRIATE NOTICES TO CUSTOMERS.

AND THEN THE LAST SET OF THINGS I FOCUS ON ARE PUBLIC POLICY RELATED SO WE GET TO THINK ABOUT WHAT THE LAW SHOULD BE AT THE STATE LEVEL, AT THE FEDERAL LEVEL AND INTERNATIONALLY.

>> GREAT AND HOW DID YOU GET INTO PRIVACY IN THE FIRST PLACE?

>> YEAH... SO, YOU KNOW, I SAID THAT I'VE BEEN HERE FOR 24 YEARS AND CAN TELL YOU THAT COMPANIES LIKE OURS DID NOT HAVE CHIEF PRIVACY OFFICERS 24 YEARS AGO.

SO... I'VE HAD A NUMBER OF DIFFERENT JOBS AT VERIZON AND ABOUT SEVEN YEARS AGO, THE GENERAL COUNSEL APPROACHED ME AND SAID "HEY, KAREN, DO YOU WANT TO BE THE CHIEF PRIVACY OFFICER?"

>> MM-HMM.

>> AND... I WAS THRILLED FOR THE OPPORTUNITY, IT MEANT I COULD STAY AT THE SAME COMPANY, BUT CHANGE WHAT I WAS WORKING ON AND THE REASON HE THOUGHT ABOUT ME IS BECAUSE I HAD DONE WORK IN THE PAST THAT RELATED TO PRIVACY.

I HAD MAINLY BEEN A REGULATORY LAWYER AND SO SOME OF THE THINGS I'D DEALT WITH WERE PRIVACY, BUT IT WASN'T FRONT AND CENTER, 100% OF MY DAY.

>> GOT IT, AND WHEN YOU THINK BACK TO THE LAST SEVEN YEARS, OR EVEN LONGER THAN THAT, WHEN DO YOU THINK PRIVACY STARTED REACHING A TIPPING POINT?

>> SUCH AN INTERESTING QUESTION, WHEN I TOLD MY DAD I WAS GOING TO HAVE THIS JOB, HE WAS LIKE "WHAT IS THAT JOB?" AND HE STARTED SAYING AFTERWARDS "EVERY DAY I READ ABOUT WHAT YOU'RE DOING IN THE NEWSPAPER."

>> MM-HMM.

>> AND HE WASN'T TALKING ABOUT VERIZON, PER SE, BUT JUST TALKING ABOUT THE AREA.

SO... IT'S CLEARLY GOTTEN BIGGER AND BIGGER.

IT'S HARD TO PICK AN EXACT POINT, BUT I'M GOING TO SOUND A LITTLE GEEKY HERE, BUT... TO SOME EXTENT, PEOPLE HAVE BEEN THINKING ABOUT THESE ISSUES FOR... 100 YEARS.

SO... IN THE 1880S, AND SORRY TO TAKE YOU BACK ON A HISTORY LESSON, BUT EASTMAN KODAK DEVELOPED THE FIRST CAMERA THAT AN INDIVIDUAL COULD TAKE OUT ON THE STREETS AND TAKE PHOTOS OF PEOPLE AND... THAT'S REALLY THE FIRST TIME IN U.S. HISTORY WHERE PEOPLE STARTED THINKING ABOUT WHAT'S AN INVASION OF PRIVACY AND WHAT'S TOO MUCH?

BEFORE THAT TIME, IF SOMEBODY WAS GOING TO TAKE A PHOTO, THEY HAD TO GO INTO A STUDIO.

NOW, SUDDENLY, AS I SAID, SOMEBODY MIGHT BE WORRIED ABOUT, I MIGHT BE ON THE STREET AND SOMEBODY MIGHT TAKE A PHOTO OF ME IN AN UNWANTED WAY.

>> MM-HMM.

>> AND... WE'VE SEEN SIMILAR THINGS WITH OTHER THINGS.

WHEN THE PHONE COMPANIES INTRODUCED CALLER ID, PRIVACY ADVOCATES INITIALLY WERE VERY CONCERNED ABOUT THE PROTECTING THE IDENTITY OF THE CALLING PARTY AND THE CALLING PARTY'S PRIVACY.

NOW... I THINK, MOST PEOPLE LOVE CALLER ID AND THEY WON'T PICK UP A CALL IF THEY DON'T KNOW WHAT NUMBER'S CALLING THEM.

IF THEY DON'T RECOGNIZE IT.

WE'RE WILLING TO GIVE UP PRIVACY OF THE CALLING PARTY, AS LONG AS THERE ARE CERTAIN APPROPRIATE PROTECTIONS IN PLACE, LET'S SAY, FOR A BATTERED WOMEN SHELTER

SO... YOU KNOW... I THINK MY REAL MESSAGE HERE IS THAT IT'S BEEN BUILDING AND... THERE'S MORE AND MORE INFORMATION THAT COMPANIES HAVE AS TECHNOLOGY HAS DEVELOPED, BUT... IT'S HARD TO PICK AN EXACT POINT THAT WAS THE TIPPING POINT.

>> MM-HMM, SO... GIVEN THAT TECHNOLOGY IS CENTRAL TO EVERYTHING WE DO, IT'S IN OUR CARS, IN OUR HOMES, IT'S WHERE WE WORK.

DOES THE GENERAL PUBLIC IN YOUR VIEW UNDERSTAND WHAT THEY'RE SIGNING UP FOR WHEN THEY'RE OPTING INTO ALL OF THESE APPS AND ALSO, WHAT'S THE DIFFERENCE BETWEEN OPT-IN AND OPT-OUT?

>> SO, OPT-IN MEANS THAT A COMPANY SAYS TO A CUSTOMER, WE ARE GOING TO USE YOUR INFORMATION IN A CERTAIN WAY, IF YOU AGREE.

AND... A CUSTOMER HAS TO SAY "YES, I AGREE."

THAT'S OPT-IN.

OPT-OUT MEANS THAT THE COMPANY'S GOING TO USE THE INFORMATION IN A CERTAIN WAY AS A DEFAULT, THEY'RE GOING TO DO IT THAT WAY AUTOMATICALLY, UNLESS THE CUSTOMER SAYS "NO, DON'T DO THAT" AND ONE'S NOT NECESSARILY BETTER THAN THE OTHER, WHAT WE CALL OPT-INS, FOR EXAMPLE, CAN BE WAY VARIED IN TERMS OF SERVICES AND PEOPLE MIGHT NOT SEE THEM.

IT'S NOT THAT ONE IS MORE UNDERSTANDABLE TO THE CUSTOMER OR THE OTHER, WHAT I THINK IS REALLY IMPORTANT IS THAT COMPANIES DO THEIR BEST TO BE TRANSPARENT WITH CUSTOMERS AND REALLY, CLEARLY, EXPLAIN TO THEM HOW THE INFORMATION'S BEING USED AND GIVE THEM A CLEAR CHOICE.

SO... THEN YOU ASK ME, SO... DO CUSTOMERS REALLY UNDERSTAND WHAT'S GOING ON?

THAT'S A REALLY HARD QUESTION TO ANSWER BECAUSE CUSTOMERS ARE SO VARIED.

I THINK PEOPLE HAVE REALLY GOTTEN SMARTER OVER THE YEARS, I THINK THAT A NUMBER OF YEARS AGO, THEY WOULD HAVE SAID THAT CERTAIN SERVICES, GOOGLE, FACEBOOK, THINGS LIKE THAT ARE JUST FREE AND THAT JUST WOULD HAVE BEEN THE END OF IT.

I THINK MORE PEOPLE, TODAY, MANY MORE PEOPLE UNDERSTAND THAT THEY MAY NOT BE PAYING A DOLLAR FIGURE FOR IT, BUT THEY'RE GIVING UP SOME OF THEIR PERSONAL INFORMATION AND THEY'RE GOING TO BE SERVED ADS AND THAT'S HOW THESE COMPANIES CAN MAKE MONEY.

>> MM-HMM.

>> BUT... THE ACTUAL WAY IT WORKS AND WHAT HAPPENS BEHIND THE SCENES, I DO THINK THERE'S FAIRLY FEW PEOPLE WHO REALLY UNDERSTAND THAT.

>> AND HOW MUCH, AS PEOPLE ARE ENGAGING MORE AND MORE WITH THESE TECHNOLOGIES, HOW MUCH, IN YOUR VIEW, IS IT THE RESPONSIBILITY OF THE USER, WHETHER THE CUSTOMER OR BUSINESS, TO UNDERSTAND WHAT THEY'RE SIGNING UP FOR?

>> I THINK COMPANIES REALLY HAVE TO STEP UP TO THE PLATE AND REALLY HAVE TO TRY HARD TO MAKE THIS AS TRANSPARENT AS POSSIBLE TO THE USERS, TO MAKE IT SIMPLE, TO GIVE THEM OPTIONS THAT ARE VERY CLEAR AND EASY TO UNDERSTAND.

>> SO... I USED TO WORK IN THE FINANCIAL SERVICES INDUSTRY, TO ME, THIS WHOLE ISSUE OF PRIVACY IS A LITTLE BIT LIKE HISTORY REPEATING ITSELF.

YOU KNOW... WHEN YOU THINK TEN YEARS AGO, WE WERE IN THE MIDDLE OF THE FINANCIAL CRISIS, WHERE INVESTORS DIDN'T REALLY UNDERSTAND WHAT THEY WERE INVESTING IN AND YOU KNOW, FINANCIAL INSTITUTIONS WERE ACCUSED OF MISLEADING INVESTORS AND ALL OF THAT EVENTUALLY LEAD INTO REGULATIONS, SO... WHEN IT COMES TO PRIVACY, HOW DO WE MOVE FORWARD?

AND... WILL IT EVER GET TO A POINT WHERE INDIVIDUALS TRUST THE BUSINESSES THAT THEY'RE DOING BUSINESS WITH?

>> I THINK IT'S SO IMPORTANT THAT WE CREATE AN ENVIRONMENT WHERE INDIVIDUALS CAN TRUST THE BUSINESSES THAT THEY'RE DOING BUSINESS WITH.

YOU KNOW... I OFTEN THINK ABOUT, YOU STEP INTO AN ELEVATOR, FOR EXAMPLE AND... YOU JUST ASSUME THAT IT'S GOING TO WORK, THAT IT'S BEEN INSPECTED AND WE KNOW THERE'S A SYSTEM BEHIND IT, TO DO THAT KIND OF WORK SO THAT IT'S SAFE, YOU GO INTO A GROCERY STORE TO BUY GROCERIES AND AGAIN, WE KNOW THERE'S A FOOD SAFETY PROCESS IN THIS COUNTRY AND I THINK IT'S REALLY IMPORTANT THAT WE COME UP WITH THE RIGHT RULES OF THE ROAD FOR PRIVACY, SO THAT CUSTOMERS CAN FEEL LIKE THEY CAN TRUST IN THE WHOLE SYSTEM.

AND... IT'S REALLY FOR THAT REASON THAT FOR QUITE A NUMBER OF YEARS NOW, VERIZON HAS THOUGHT THAT WE SHOULD HAVE FEDERAL PRIVACY REGULATION.

>> IS MORE REGULATION, IN YOUR VIEW, THE ANSWER TO GAINING CUSTOMERS TRUST?

>> I THINK MORE OF THE RIGHT TYPE OF REGULATION WOULD BE REALLY HELPFUL.

AND BY THAT, WHAT I MEAN IS IT NEEDS TO BE FEDERAL.

THE INTERNET DOESN'T STOP AT STATE BOUNDARIES, SO WE NEED TO HAVE A FEDERAL FRAMEWORK.

WE NEED TO HAVE ONE SET OF RULES THAT APPLIES TO ALL PLAYERS IN THIS ECOSYSTEM.

THAT'S REALLY BECAUSE THE DATA'S THE SAME.

IF YOU THINK ABOUT SOMETHING LIKE LOCATION DATA, YOU KNOW... A CUSTOMER DOESN'T CARE IF IT'S AN ISP OR IF IT'S A SOCIAL NETWORK OR OPERATING SYSTEM THAT'S COLLECTING THE LOCATION INFORMATION.

THE CUSTOMER WANTS TO KNOW, THIS IS HOW IT CAN BE USED, THESE ARE THE GENERAL RULES OF THE ROAD, THESE ARE THE OPTIONS THAT I HAVE.

AND... SO, FOR THAT REASON, I THINK WE NEED TO HAVE ONE SET OF RULES THAT APPLIES TO EVERYBODY.

AND... THEN... THE RULES NEED TO BE FLEXIBLE ENOUGH THAT AS TECHNOLOGY IS CHANGING, THEY CAN ACCOMMODATE THE NEW RULES AND MAKE SURE WE'RE NOT STIFLING INNOVATION.

>> MM-HMM.

ARE THERE BEST PRACTICES THAT BUSINESSES SHOULD BE USING TO GIVE MORE CLARITY TO CUSTOMERS AROUND THE USE OF THEIR INFORMATION?

>> THERE CERTAINLY ARE BEST PRACTICES.

THESE ARE THINGS LIKE TRANSPARENCY, WHICH BASICALLY MEANS BE REALLY CLEAR WITH YOUR CUSTOMERS ABOUT WHAT YOU'RE DOING WITH THEIR INFORMATION AND THEN CHOICE, GIVE YOUR CUSTOMERS APPROPRIATE CHOICES ABOUT HOW THEIR INFORMATION SHOULD BE USED.

>> LET'S TALK ABOUT VERIZON.

WHAT ARE SOME OF THE MAIN ASPECTS OF VERIZON'S PRIVACY POLICY?

>> THEY REALLY GO ALONG THE LINES OF THE TYPES OF THINGS WE WERE JUST TALKING ABOUT.

WE TRY TO BE CLEAR TO WRITE IT NOT IN TOO MUCH LEGALESE, TO EXPLAIN WHAT INFORMATION WE'RE COLLECTING, HOW WE'RE USING IT, WHO WE'RE SHARING IT WITH AND THEN, THE TYPES OF CHOICES THAT CUSTOMERS HAVE ABOUT HOW THAT INFORMATION CAN OR CANNOT BE USED.

>> AND... HOW OFTEN ARE ORGANIZATIONS LIKE VERIZON UPDATING THEIR PRIVACY POLICIES AND IS THAT A TREND THAT WE'RE ALL CONTINUING TO SEE IN THE FUTURE?

>> YEAH... WE UPDATE OUR PRIVACY POLICY A COUPLE TIMES A YEAR. SOMETIMES... IT'S -- FOR MORE MINISTERIAL ISSUES.

IT'S HARD TO SAY HOW OFTEN WE DO SOMETHING MAJOR, BUT FROM TIME TO TIME, WE HAVE ONE THAT'S MORE MAJOR.

FOR EXAMPLE, OATH, AND PERHAPS I SHOULD MAKE SURE YOU KNOW WHAT OATH IS.

VERIZON, IN THE LAST COUPLE YEARS HAS BOUGHT TWO DIFFERENT COMPANIES, IT BOUGHT BOTH AOL AND YAHOO AND CLOSED THE DEAL WITH YAHOO LAST SUMMER.

WE'VE NOW COMBINED THE TWO OF THEM INTO A COMPANY CALLED OATH AND OATH HAS RECENTLY ANNOUNCED A NEW PRIVACY POLICY THAT COMBINES THE PRIVACY POLICIES OF BOTH AOL AND YAHOO.

IT WAS REALLY THE NEXT STEP IN TERMS OF INTEGRATION TO DO THIS, SO THAT THERE'D BE ONE POLICY THAT WOULD COVER BOTH COMPANIES.

THERE ARE A COUPLE OTHER THINGS IT DOES.

IT IS VERY TRANSPARENT WITH CUSTOMERS AND IT GIVES CUSTOMERS NEW KINDS OF CONTROLS OVER THEIR DATA AND AT THE SAME TIME THAT OATH DID THAT, VERIZON ALSO UPDATED ITS PRIVACY POLICY, TO MAKE IT CLEAR THAT OATH HAD ITS OWN POLICY AND THAT CHOICES THAT OATH USERS MADE ABOUT THEIR INFORMATION WOULD BE HONORED BY VERIZON AND CHOICES THAT VERIZON USERS OR CUSTOMERS MADE ABOUT THEIR INFORMATION WOULD BE HONORED BY OATH.

>> WITH ALL OF THESE TECHNOLOGIES THAT ARE LITERALLY ON OUR DOOR STEPS, STARTING WITH 5G, WHICH WILL ENABLE MORE AUTONOMOUS VEHICLES, SMART COMMUNITIES, AR, BR, HOW DO YOU STRIKE THE BALANCE BETWEEN YOU KNOW, REALLY SETTING THE TONE WHEN IT COMES TO INNOVATION, BUT ALSO ENSURING THAT CONSUMERS AND BUSINESSES ARE PROTECTED?

>> SO... THESE ARE THE TYPES OF ISSUES MY TEAM WORKS ON EVERY DAY.

WE TALK ABOUT PRIVACY BY DESIGN.

AND THINKING ABOUT PRIVACY FROM THE GET-GO.

AS VERIZON IS THINKING ABOUT THESE NEW PRODUCTS, GETTING CLOSER TO LAUNCHING THEM, WE WORK HAND-IN-HAND WITH THE PRODUCT TEAMS TO THINK ABOUT HOW TO EMBED PRIVACY, WHEN WE'RE LAUNCHING A NEW PRODUCT.

MOST OF THE TIME WE'RE GOING TO GET IT RIGHT.

SOMETIMES SOCIETY'S GOING TO EVOLVE OR A WAY OF LOOKING AT CERTAIN ISSUES WILL CHANGE.

YOU KNOW... IT WASN'T THAT LONG AGO THAT SOCIAL SECURITY NUMBERS WERE PRINTED ON THE FRONT OF DRIVER'S LICENSE AND COLLEGE IDS.

AND OTHER CARDS LIKE THAT.

AS LONG AS, AS RECENTLY AS 15 YEARS AGO, FOR EXAMPLE, THEY WERE STILL USED IN MANY STATES AND IF YOU SAY THAT TO SOMEBODY NOW, IT'S SHOCKING, BECAUSE WE NOW ALL UNDERSTAND HOW IMPORTANT IT IS TO PROTECT SOCIAL SECURITY NUMBERS.

SO... AS I SAID, WE SPENT A LOT OF TIME THINKING ABOUT THESE ISSUES EVERY DAY.

AND AS SOCIETY EVOLVES AND AS OUR THOUGHTS AROUND SOME OF THESE ISSUES EVOLVE, WE MAY MAKE SOME ADJUSTMENTS.

>> HOW ARE YOU THINKING ABOUT THESE ADVANCED TECHNOLOGIES WHEN YOU AND YOUR TEAM TALK TO POLICY-MAKERS?

>> THEY'RE TOP OF MIND FOR EVERYBODY, TOP OF MIND FOR US, TOP OF MIND FOR POLICY-MAKERS.

SO... AS PART OF A CONVERSATION, WE THINK ABOUT DO THE EXISTING BEST PRACTICES WORK IN THESE NEW CONTEXTS AND HOW CAN WE MAKE SURE THAT ANY RULES OR REGULATIONS THAT ARE ADOPTED DON'T STIFLE INNOVATION, BUT... YET, PROTECT CONSUMERS AND CREATE THE KIND OF ATMOSPHERE OF TRUST THAT I THINK IS SO IMPORTANT IN ORDER TO BE ABLE TO HAVE CUSTOMERS TRUST YOUR PRODUCTS?

>> WHAT ABOUT WHEN WE GO OUTSIDE OF THE U.S.?

HOW ARE CONSUMERS AND BUSINESSES OUTSIDE OF THE U.S. THINKING ABOUT PRIVACY?

WHAT'S TOP OF MIND FOR THEM?

>> IT'S A LOT OF THE SAME ISSUES, YOU KNOW... AR, VR, AUTONOMOUS VEHICLES, INTERNET OF THINGS.

TALKING ABOUT OUTSIDE OF THE UNITED STATES, I'D BE REMISS IF I DIDN'T MENTION NEW PRIVACY RULES THAT ARE GOING INTO EFFECT IN EUROPE AT THE END OF MAY.

>> MM-HMM.

>> AND ALL GLOBAL COMPANIES, RIGHT NOW, ARE VERY FOCUSED ON COMPLYING WITH THOSE RULES.

IN LARGE PART, BECAUSE THE FINES THAT GO ALONG WITH THEM ARE POTENTIALLY VERY LARGE.

SO... IT'S CERTAINLY A BIG PART OF WHAT MY TEAM IS THINKING ABOUT RIGHT NOW.

>> AS WE TRY TO STRIKE THAT BALANCE BETWEEN INNOVATION AND PRIVACY PROTECTION, IS THERE A RISK THAT WE MAY START TO FALL BEHIND WITH ONCOMING REGULATION?

WILL WE FALL BEHIND OTHER COUNTRIES LIKE CHINA OR SOUTH KOREA AS AN EXAMPLE?

WHERE THAT MAY NOT BE AS MUCH OF A CONCERN?

>> YOU KNOW... I DIDN'T GIVE YOU ALL MY BACKGROUND AT VERIZON, BUT I'VE SPENT MOST OF MY CAREER HERE AS A REGULATORY LAWYER.

AND TYPICALLY AS A COMPANY, OUR VIEW IS WE SHOULD HAVE FEWER REGULATIONS ON US, NOT MORE.

THIS IS REALLY DIFFERENT BECAUSE... I THINK IT'S SO IMPORTANT THAT WE HAVE THE TRUST OF THE CONSUMER AND THE ONLY WAY TO DO THAT IS TO HAVE REGULATIONS AROUND IT.

BUT... AT THE SAME TIME, WE DO NEED TO MAKE SURE THAT THEY'RE NOT SO SPECIFIC AND AND SO INFLEXIBLE THAT WE CAN'T HAVE INNOVATION.

>> SO... WHAT ABOUT DIFFERENT DEMOGRAPHICS?

LIKE WHEN YOU THINK ABOUT GEN Z, MILLENNIALS, BABY BOOMERS, DO YOU SEE DIFFERENCES IN TERMS OF HOW THEY'RE, HOW EACH OF THOSE GROUPS ARE THINKING ABOUT PRIVACY?

>> YOU KNOW, IT'S A REALLY INTERESTING QUESTION.

AND PEOPLE HAVE DIFFERENT ANSWERS TO THAT QUESTION.

BUT... I'LL GIVE YOU MY PERSPECTIVE ON IT.

AND... TO SOME EXTENT, IT GOES TO, BACK TO THE WAY WE THINK ABOUT OUR CUSTOMERS, WHICH IS THAT DIFFERENT PEOPLE HAVE VERY DIFFERENT VIEWS OF PRIVACY AND WE NEED TO GIVE INDIVIDUALS THEIR OWN CHOICES BECAUSE THEY DON'T ALL HAVE THE SAME VIEWS.

SO... YOU KNOW, THINK ABOUT A NUMBER OF DIFFERENT FAMILIES WHO ALL LIVE ON THE SAME BLOCK.

THEY MAY HAVE DIFFERENT VIEWS OF THEIR PHYSICAL SECURITY, SOME MAY, ONE FAMILY MIGHT SAY, I'M GOING TO KEEP MY DOOR LOCKED AROUND-THE-CLOCK.

ONE FAMILY MIGHT SAY "I'M ONLY GOING TO KEEP MY DOOR LOCKED AT NIGHT" AND ONE FAMILY MIGHT SAY "I DON'T EVER NEED TO KEEP MY DOOR LOCKED."

I THINK PRIVACY IS REALLY SIMILAR.

YOU CAN'T MAKE GENERALIZATIONS ABOUT DIFFERENT GENERATIONS, I HAPPEN TO HAVE A MOTHER-IN-LAW WHO IS 92 AND ISN'T ON THE INTERNET AND I HAVE BOYS WHO ARE 20 AND 22 AND... WHAT I THINK IS THAT THE YOUNGER GENERATION KNOWS TECHNOLOGY SO MUCH BETTER THAN OLDER GENERATIONS AND THEY'RE SO MUCH MORE COMFORTABLE WITH IT.

SOMETIMES PEOPLE THINK THEY JUST GIVE UP PRIVACY FOR FREE AND DON'T REALLY PAY ATTENTION, BUT UNDERSTAND THE CONTROLS WAY BETTER THAN OTHER PEOPLE DO ALSO.

SO... AGAIN, I THINK IT'S HARD TO DRAW GENERALIZATIONS THERE.

>> MM-HMM.

ONE OF THE THINGS THAT SORT OF, CENTRAL TO THE PRIVACY CONVERSATION HAPPENING NOW, AND IN THE MEDIA, AT LEAST, IS, WHEN COMPANIES WORK WITH THIRD PARTY PARTNERS.

SO... YOU KNOW, HOW DOES VERIZON ENSURE THAT THIRD PARTY PARTNERS, THAT THE COMPANY'S WORKING WITH, THEY'RE PLAYING BY THE RULES AND THEY'RE NOT BAD ACTORS?

>> WE HAVE A VERY WELL-DEVELOPED THIRD PARTY PRACTICE FOR HOW WE DEAL WITH THIRD PARTIES.

BEFORE WE'LL BRING IN A THIRD PARTY WHO WILL GET VERIZON INFORMATION, WE VET THEM VERY THOROUGHLY AND THEN, EVEN AFTERWARDS, OR, AFTER WE SAY, OKAY... YOU PASSED MUSTER, NOW WE CAN SHARE CERTAIN INFORMATION WITH YOU, WE GIVE THEM VERY STRICT CONTRACTUAL TERMS FOR EVERYTHING FROM WHETHER THEY'RE REQUIRED TO ENCRYPT THE DATA, TO HOW THEY CAN USE THE DATA, TO HOW LONG THEY CAN KEEP THE DATA AND HOW THEY HAVE TO DESTROY IT.

>> AND... GIVEN EVERYTHING THAT'S HAPPENING RIGHT NOW, IN YOUR OPINION, HOW MUCH DOES CORPORATE CULTURE PLAY INTO HOW COMPANIES VIEW PRIVACY?

AND THE ROLE THEY NEED TO PLAY?

TO MAKE SURE THAT THEIR CUSTOMERS ARE PROTECTED?

WHETHER THEY'RE BUSINESSES OR CONSUMERS?

>> CORPORATE CULTURE IS REALLY IMPORTANT.

AS A PLATE LIKE VERIZON, IT STARTS FROM THE TOP AND IS IN OUR CREDO.

WE KNOW FROM LOWELL, OUR CHAIRMAN, ALL THE WAY DOWN, THAT ALL EMPLOYEES ARE RESPONSIBLE FOR THINKING ABOUT AND PROTECTING PRIVACY AND SECURITY.

AND YOU KNOW, THERE ARE SOME EMPLOYEES, OBVIOUSLY, MY TEAM, MANY OTHERS, IN THE COMPANY, WHO SPEND 100% OF THEIR TIME FOCUSED ON PRIVACY OR SECURITY.

AND... THEN THERE ARE SOME THAT THINK ABOUT PRIVACY AND SECURITY, A BIG CHUNK OF THEIR DAY, BUT NOT ALL THE TIME.

EVEN FOR THE REST OF THE COMPANY, WHO DOESN'T HAVE PRIVACY OR SECURITY AS PART OF THEIR DAY JOB, WE REALLY TRY TO INSTILL THE IMPORTANCE ABOUT THINKING ABOUT IT AND WE DO THIS THROUGH TRAINING.

AS I SAID, IT'S IN OUR CREDO AND OTHER THINGS.

WE REALLY WANT TO MAKE SURE THAT IF SOMETHING COMES ACROSS SOMEBODY'S DESK OR SOMEBODY GETS AN E-MAIL AND IT DOESN'T SEEM RIGHT, THEY KNOW WHEN THERE ARE -- THERE IS SOMETHING THAT'S SUSPICIOUS AND WHAT THEY SHOULD DO ABOUT IT.

>> SO... JUST ONE OF THE THINGS THAT'S OBVIOUSLY BEEN DOMINATING THE HEADLINES RECENTLY IS MARK ZUCKERBERG'S RECENT TESTIMONY AND HIS VIEW THAT TECH COMPANIES SHOULD BE REGULATED DIFFERENTLY THAN INTERNET SERVICE PROVIDERS, BUT... GOING BACK TO WHAT YOU SAID BEFORE, YOU THINK THERE SHOULDN'T BE ANY DIFFERENCE?

>> ABSOLUTELY NO DIFFERENCE.

AS I SAID BEFORE, I THINK WHAT CUSTOMERS CARE ABOUT IS WHAT THE DATA IS.

AND MAKING SURE THAT THE DATA'S PROTECTED.

AND IF YOU THINK ABOUT SOMETHING LIKE LOCATION, THEY DON'T CARE WHO'S COLLECTING THE DATA, THE LOCATION INFORMATION, THEY DON'T CARE IF IT'S AN ISP OR A SOCIAL MEDIA PLATFORM OR AN OPERATING SYSTEM.

YOU KNOW, THEY WANT TO SEE THAT THERE ARE PROTECTIONS AROUND IT AND THAT'S WHY I THINK IT'S SO IMPORTANT THAT WE HAVE ONE FRAMEWORK THAT APPLIES TO ALL ENTITIES.

>> SO... THERE'S OBVIOUSLY BEEN NO SHORTAGE OF HEADLINES IN THIS SPACE AND WITH THE WAY THAT YOU KNOW, TECHNOLOGY'S CHANGING AND... THE FAST-PACE THAT IT IS CHANGING, IS IT EVEN POSSIBLE TO PREDICT WHAT'S NEXT?

>> NOPE!

[LAUGHTER]

>> NO... I MEAN, YOU KNOW, THERE'S SOME THINGS WE KNOW, RIGHT?

WE TALK ABOUT -- WHETHER IT'S INTERNET OF THINGS OR AUTONOMOUS VEHICLES, I THINK WE HAVE A LITTLE SENSE OF WHAT SOME NEW PRODUCTS MIGHT BE, BUT... YOU KNOW, A LOT OF THE NEW PRODUCTS FROM EVEN THE LAST TEN YEARS, IF YOU HAD ASKED SOMEBODY, I DON'T KNOW, 20 YEARS AGO, WHETHER WE'D HAVE SMARTPHONES THE WAY WE DO TODAY OR SOME OF THE APPS THAT ARE COLLECTING LOCATION, YOU KNOW... PEOPLE WOULD HAVE THOUGHT YOU WERE FROM MARS.

I THINK IT'S REALLY HARD TO PREDICT WHAT THE NEW PRODUCTS WILL BE.

I THINK IT'S HARD TO PREDICT WHAT THE LATEST, I DON'T KNOW, I DON'T WANT TO CALL IT A SCANDAL, BUT THE LATEST INCIDENT THAT THE PRESS AND THE PUBLIC WILL BE INTERESTED IN THAT HAPPENS WITH A COMPANY.

SO... IT'S VERY CHALLENGING.

>> KAREN, THANKS SO MUCH FOR YOUR TIME TODAY.

>> THANK YOU.

>> THANKS FOR LISTENING.

FOLLOW US ON INSTAGRAM AND TWITTER AT VZUPTOSPEED AND STAY TUNED FOR MORE CONVERSATIONS ABOUT TECHNOLOGY, TODAY.