

Backpage.com, LLC
1201 E. Jefferson Street
Phoenix, Arizona 85034
phone 602 271 0040
fax 602 407 1717
www.backpage.com

August 4, 2011

VIA FEDEX AND E-MAIL

Hon. Julie McCoy
Chief of Staff
Office of Mayor Mike McGinn
Seattle City Hall, 7th Floor
600 Fourth Avenue
Seattle, WA 98124-4749

Re: Backpage.com's Agreement to Four Requests from Seattle Mayor Mike McGinn

Dear Ms. McCoy:

This letter is respectfully submitted to you and to Mayor McGinn by way of follow-up and response to the Mayor's letter of July 1, 2011, our meeting with the Mayor, councilman Tim Burgess, Police Chief John Diaz and others in Seattle on July 15, 2011, and our call with the Mayor and you this past Friday, as well as my e-mail to you and the Seattle Police Department (Captain Dave Emerick, Special Investigations Section, and Lt. Eric Sano, Vice/High Risk Victims Unit) on Friday, outlining some of the newly available technologies that may help enable us to quickly accomplish what the Mayor and Chief Diaz have requested.

As you know, from our detailed presentation to the Mayor on July 15th, Backpage.com has been working aggressively in collaboration with law enforcement officials and others across the nation to help to better deter, detect, identify, locate and arrest or otherwise stop child predators and other criminals who misuse sites such as Google, Facebook, Backpage and other legitimate internet service providers. We continue to welcome the Mayor's interest and his offer of cooperation to help make the web even more safe for children and others – and more dangerous for criminals involved in human trafficking.

In particular, the Mayor invited us to sit down with him and Chief Diaz to work towards a solution. The Mayor made a very public call on us to redouble our efforts, and in particular, issued a press release on July 1, 2011, including a copy of his letter to us, along with a copy of a memorandum from Chief Diaz. All three documents (press release, Mayor's letter, Chief's memo) bear that same date.

Via his letter and the Chief's memorandum, the Mayor issued four very specific requests to Backpage.com. The four requests were as follows:

1. Web Site Monitoring: "Seattle Police detectives ask that Backpage.com **monitor its own Web site** for suspected child prostitution."
2. Age Verification: Second, more specifically, "Seattle Police detectives ask that Backpage.com monitor its own Web site" for suspected child prostitution "**through age verification.**"
3. Employee Training: "The Seattle Police Department" proposes that it "**work with Backpage.com employees to train them** to identify such cases" of suspected child prostitution.
4. Law Enforcement Assistance: "When cases are discovered that involve child prostitution, **detectives request cooperation and assistance** from Backpage.com in order to successfully rescue the child victims."

As you know, I telephoned the Mayor and you on Friday, July 29th to advise that Backpage.com's answer to all four requests was "yes".

During that call, we then went through the details of each of the four "yes" answers. You asked that we please provide the Mayor with a written update, advising that we had answered "yes" to the four requests and providing some additional detail. In response, each of the Mayor's four requests is addressed individually below.

1. Web Site Monitoring: "Seattle Police detectives ask that Backpage.com **monitor its own Web site** for suspected child Prostitution."

Answer: Yes. Backpage.com agrees to the Mayor's request.

Backpage.com has long been dedicated to providing a classified ad solution for businesses and consumers that is fast, effective, economical and safe. For approximately the past year the *Village Voice* and Backpage.com have worked to launch a series of major new initiatives aimed at implementing investments in state of the art technology and other solutions to enhance our commitment to protecting children and others as a top priority.

You are familiar with the unique status of the *Village Voice* as America's first and most highly regarded alternative weekly, featuring groundbreaking investigative journalism that has earned it a series of Pulitzer and other prizes. Along with the *Seattle Weekly* and a dozen publications across the country, the *Village Voice* continues today in the tradition of no-holds-barred investigations, reporting and criticism that have distinguished it for over 50 years.

As you know the *Village Voice* also has a significant web presence that has earned it the National Press Foundation's Online Journalism Award, among others. For some time now, we have been working aggressively to institute enhancements on the web to better protect children and others who are most at risk. Backpage.com has been working closely with federal, state, county and municipal law enforcement to detect, deter, and halt child predators. Our business leadership has devoted new manpower, technology, and resources to enhancing our ability to support law enforcement activities, and continues to look for opportunities to identify and improve an enhanced safety model that can be utilized more widely by the entire classified advertising industry.

We recognize that major cell phone companies such as AT&T and Verizon, overnight express companies such as FedEx, credit card companies such as American Express, Visa and Mastercard, and technology giants such as eBay, Google and Facebook have all seen their services wrongly utilized by criminals engaged in virtually every form of violation, from drug trafficking to insider trading and human trafficking.

High tech and Internet companies are particularly vulnerable to such fraud and exploitation. For criminals this is a double-edged sword: Even while cell phone and other technologies offer criminals new mechanisms to utilize in violating the law, these same sorts of communications, computer and Internet technologies can also be used to track down predators and rescue victims who in earlier times may never have been found.

Recognizing this, Backpage.com has put practices in place to alert authorities to suspicious activity, as well as stringent terms of use that are designed to protect the safety of all users on their site. Backpage.com has spent millions of dollars and developed aggressive moderation tactics to screen posts and help identify criminals.

Most of these efforts were put into place or were underway long before the Mayor's July 1 press release. Staying ahead of criminals on the Internet is an ongoing and often fast-changing challenge, both for police and for private companies. For all of these reasons, since the Mayor's press release we have continued our efforts to support his call for strengthening web site monitoring. Over the past year, including enhanced efforts over the past month, these steps have included the following:

- Our newly upgraded and automated filters have already banned some 22,015 different words or terms from ads, many of them code words or intentionally misspelled words designed to circumvent standard filters. We are continually revising our list of "banned" words and phrases, sometimes hourly.
 - Our filters and monitors have also banned over 4,000 IP addresses and over 100,000 email addresses.

- Content restrictions are in place; unlike many of our competitors' websites, we have implemented in our North American sites, a complete, across-the-board ban on any photos showing nudity.
 - Automatic scan of postings using NCMEC's list of known child exploitation images and URLs.
 - In addition to automated screening technology, we have hired more than 100 new employees to provide live screening and monitoring around the clock.
 - Screening to identify and prevent the human trafficking of minors and others is their No. 1 prime directive.
 - Staff are trained to spot code words and other content in postings -- and to alert the National Center for Missing & Exploited Children (NCMEC) where there is evidence of a child at risk.
 - Staff remove illegal ads suggesting child exploitation.
 - As an added safety component, there is a waiting period before any ads can be posted under our adult services section. This allows us to fully vet these ads and ensure they are following all of the rules and guidelines set forth by our Terms of Use.
 - In the month of June alone:
 - 280 reports were sent to NCMEC by Backpage.com staff.
 - 23 urgent emails sent direct to NCMEC for high priority.
 - 7 NCMEC reports for Seattle in the past month of July.
 - 80% of staff are focused solely on monitoring content.
 - A page devoted to child safety and preventing other crimes like I.D. theft is in development -- all Backpage advertisers will see that information before posting their ad.
2. Age Verification: More specifically, "Seattle Police detectives ask that Backpage.com monitor its own Web site" for suspected child prostitution **"through age verification."**

Answer: Yes. Backpage.com agrees to undertake a new effort, as requested by the Mayor and Seattle police, to identify and implement an appropriate age and I.D. verification solution as a nationwide effort and safety upgrade.

Hon. Julie McCoy
August 4, 2011

As you know, on Friday afternoon, following up on our discussions with Mayor McGinn, as well as with our law enforcement advisor Ed McNally, at your request we provided you and the Seattle Police Department with some additional information about one of the age and identity verification solutions we discussed.

This is a Web-based problem. And it requires a Web-based solution.

We have identified several companies that credibly claim to have the capability to provide real-time, Web-based age and identification verification. Electronic ID verification is a practical, progressive and graceful implementation that is highly favored by many IT and law enforcement professionals, including the designers of America's anti-terrorism watch lists. In this scenario, a preferred supplier would use Government-issued ID databases which can offer age verification and ID confirmation with a high degree of confidence. This is the kind of solution used by online tobacco, alcohol and overseas gaming companies. Their claim is that it can cover the U.S., Canada and the UK, plus other nations totaling several billion citizens.

We think this is potentially very promising, and possibly an overall game changer. It could be used to prevent or alert us to under-aged or other sham users posting on the site, and for verifying the identities of individuals posting in a manner that will both hold them more accountable and provide more useful information ("actionable intelligence") for law enforcement. In further assessing these types of solutions, you might also like to know that some of the top tier U.S. companies that utilize this same technology for critical uses and ID and age verification solutions include American Express, Aetna, the NY State Lottery, and Universal.

This new, cutting edge identification technology is designed to strike an appropriate balance in the online business community between legitimate government interests such as in law enforcement, and legitimate privacy interests such as an individual's right to limit government and other intrusions on their personal privacy. Among other objective, appropriate privacy protections, such technology also serves the government's interest in protecting its citizens from being scammed, phished, or having their identities stolen.

Identity verification using sophisticated, newly-available technology is likely to be more effective than a physical drivers license that is viewed by a human. The personal details shared by an individual are "locked" to an individual at registration, so that if another person attempts to register the same exact details or even similar details, that second attempt can be flagged for review. If fraudulent, registration is halted. Many fake drivers' licenses that are readily available on the Internet often use the same personal details, again and again, on fake ID after fake ID. That does not happen with the latest age and identity verification technology, which thwarts this false entry through scope of access and algorithmic methods that are not available to your local corner grocer.

In my e-mail to you and the Seattle Police Department on Friday, we also invited your experience, guidance and assistance -- along with that of Capt. Emerick, Lt. Sano and other experts you may have access to -- to advise whether you or Seattle P.D. have any familiarity with these types of IT solutions, and their levels of effectiveness. We also asked whether you are aware of any particular database or databases, whether public sector or private sector, that might be particularly effective in helping to better address these issues. As to these questions, we continue to look forward to any assistance you may be able to provide.

3. Employee Training: “The Seattle Police Department” proposes that it “**work with Backpage.com employees to train them** to identify such cases.”

Answer: Yes. We agree to the Mayor’s request.

We would like to start immediately with our moderation managers who could, for example, engage in training over the phone with appropriate members of the Seattle Police Department’s Vice and High Risk Victims units. We would like to cover existing NCMEC reports, content and ad poster behavior flags indicating a possible under-aged person; any unique Seattle-specific training topics that could improve our moderation efforts; and any other suggestions Seattle P.D. may have.

We are also entirely open to additional forms of training, including live participation by Seattle P.D., whether via video-conference or in person with our screening staff members. If you have particular training exercises or materials you would like to transmit to us, we would welcome that as well.

We are eager to get your proposed training underway. Please let us know if there is a date over the next week when appropriate Seattle P.D. internet, cyber crime or child safety experts might be available to start.

4. Law Enforcement Assistance: “When cases are discovered that involve child prostitution, **detectives request cooperation and assistance** from Backpage.com in order to successfully rescue the child victims.”

Answer: Yes. We agree to the Mayor’s request.

Backpage.com has a well-documented history of working actively and effectively with law enforcement to prevent underage prostitution and other exploitation and to assist in the identification and arrest of perpetrators who are intent on breaking the law. Working closely with law enforcement around the country and NCMEC, Backpage.com makes every effort to provide relevant information to assist in both prevention and prosecution.

Any criminal who thinks our website is a good vehicle to further illegal activity should know they run the risk of being caught by Seattle or other police. We work with law enforcement proactively to keep illegal content from appearing on our site, and to

report it to authorities when found. If we detect it, we will report it. If law enforcement finds it, we will help them.

Our commitment to the Mayor, and to his counterparts across the country, in further enhancing child safety and protection efforts throughout the past year, includes the following:

- Providing enhanced, real-time responses to law enforcement in investigations aimed at recovering or otherwise protecting minors who are victims of human trafficking and other offenses.
- Subpoenas and requests regarding minors are being expedited as our No. 1 law enforcement priority.
- Backpage.com currently responds to about 50 subpoenas from law enforcement each month, and promptly provides law enforcement with information and materials relating to users charged with criminal conduct.
- Even without a subpoena, in exigent circumstances such as child rescue we will provide the maximum information and assistance permitted under the law.
- Investigators quickly receive records requested, including IP addresses with time, date and time zone stamps, email address, full credit card data and all images as four-color electronic documents.
- We provide detectives and other officers and investigators with email and telephone support.
- We regularly provide live testimony at trial to authenticate the evidence of criminals who have wrongly used our web site. For example, in federal court alone, we recently presented testimony in three recent prosecutions – all resulting in convictions – in Jacksonville, Miami and Minneapolis. Through enhanced cooperation and dialogue, these figures for apprehension and conviction could be much higher.

Backpage.com is pleased to be able to offer affirmative responses to all four of the Mayor's requests, and to have done so within the two-week response time framed the Mayor asked.

But even as we appreciate the Mayor's interest, we should also make clear that the above four efforts represent only a part of an ongoing, comprehensive effort by Backpage.com to provide highly effective and often free classified ads on the safest

Hon. Julie McCoy
August 4, 2011

communications platform possible. Like technology itself, predators and other criminals often quickly change their approach, and companies and law enforcement agencies are required to adapt quickly.

We receive many sound suggestions from law enforcement experts all over the country, and work to evaluate those that offer the most reliable solutions of proven effectiveness in a nationwide and worldwide classified industry. For example, in looking at one of the many different ways that Backpage.com could potentially “monitor its own Web site” for suspected child prostitution “through age verification”, Chief Diaz suggested that one “solution would be for Backpage.com to require photo identification when clients submit photo profiles.” And we respect the fact that the Mayor has repeatedly encouraged the use of a business practice whereby Internet posters would be required to travel to an office, in person, in order to post personals ads, for example. While this may be a possibility for certain local, city-based businesses, it would be hugely problematic for national websites such as Facebook, Twitter or Backpage.com. It would also be hugely problematic for citizens in, say, Spokane who are trying to utilize the Internet’s largest national sites, because the nine-hour round trip to Seattle to show their driver’s license would all but exclude any citizens outside a handful of major cities.

Given the Seattle area’s remarkable role in America’s information and communications revolution, no one needs to tell the people of Washington state what would happen if, before they were permitted to place a posting on Facebook, YouTube, eBay or Twitter, they had to drive to a brick and mortar eBay building in, say, Seattle, Portland or Boise and present a government-issued photo ID. Even in the days when adult personals and other classifieds were carried in the print editions of Seattle’s papers, and when the Yellow Pages included scores of pages of glossy escort advertising, those ads were routinely placed by phone and by mail. No responsible law enforcement agency in the country suggested that businesses or citizens be banned from doing so.

Today, with the lightning fast demands on the Internet by our citizens, the notion that a worldwide system of Internet postings or ads be addressed via in-person visits to hundreds of offices established in town and cities across the country is not only utterly impractical, but frankly, it reflects a profound misunderstanding of how and why the Internet has been embraced and used by our populace. It is true that there would be far fewer misrepresentations on Facebook if users had to sign up in person. But it would also spell the end of Facebook.

Again, the problems you have identified are Web-based problems. And they require a Web-based solution. No national or global website which, like us, relies largely on user-generated content has ever seriously considered compelling its users to come in person with a government-issued photo ID. There are many sound reasons for this:

- Companies like YouTube, Wikipedia and Twitter would need to rent offices and hire a staff to manually check ID's in over 450 U.S. cities. Backpage.com has users throughout the state of Washington, and some users would need to drive several hours to our single office in Seattle. If a user in another state planned to visit Seattle and wished to post a personal ad, they would not be able to do so.
- National operations like Facebook and eBay are unable to devise solutions that apply to just a single given city. Backpage.com and others like us strive to be good corporate citizens for every city in which we host a site. We are committed to implementing good user safety and security improvements, and will do it globally.
- Internet users are accustomed to the convenience of e-commerce and the burden is on us as e-commerce providers to find technical solutions to help prevent and remove fraudulent or illegal content.
- Asking every Internet poster to get in their car, take a bus or a train to verify their photo ID at an office would simply lead to those users finding a more convenient place to post. But as the Mayor and Seattle's police understand well, moving a problem does not solve it.
- Users demand to be able to edit images on their postings anytime like any other user generated content site. Millions of images are posted each month on our web site. Asking our staff to millions of times each month compare a fuzzy thumbnail sized image on a Photo ID that may be years old or even a fake ID to a recent image posted online by a user is impossible to do with any kind of accuracy. Not only would the labor cost put most user generated content sites out of business, digital images of photo ID's would need to be stored electronically and this would be a huge identity theft security risk of unimaginable proportions.
- A national problem requires a national solution. Comparing the local business plan of the Seattle *Stranger* to the worldwide, multi-millions of users of Backpage.com is like comparing the practices of a corner bookstore to Amazon.com.
- We compete with Craigslist and eBay Classifieds. There is no photo ID requirement for Craigslist, despite the fact that it hosts many of the same ad posters that appear on Backpage.com. A quick look at current Craigslist postings -- consider, for example, its sections on Therapeutic Massage, Casual Encounters or Women Seeking Men -- offers numerous examples of how our user-generated content is hardly unique, online.

And then there is the elephant in the living room: Law enforcement officials throughout the country have long made clear the severe limitations of relying on photo

IDs. This is especially true in the case of criminals, who as the Seattle Police Department can explain, often utilize a whole series of false alias names and phony IDs. The problem of unreliable and counterfeit IDs has exploded for law enforcement. As the *Seattle Times* reported on Monday, publishing a major investigative story (“Chinese Firm Floods U.S. with Fake IDs.”, by Ashley Halsey, July 31, 2011) from the *Washington Post* on a sophisticated new international false identification outfit:

“Beating the system has never been easier.”

“To the naked eye – even the practiced eye of most bartenders and police officers – the counterfeits look perfect.”

And the *Times* also observed that:

“[P]roblems related to fake IDs touch virtually every federal, state and local law enforcement agency in some way.”

Because they helped change the world and create the Internet and cyber revolution, the people of Seattle understand better than almost anyone else the extraordinary opportunities and challenges presented by a world that is awash in user-generated content. Books, newspapers, research, video, music and communications have all become unbelievably quick, fueled in part by a broad-based demand by our citizens in our representative democracy that user-generated Internet content be fast, open and unhindered by government interferences, and in keeping with the constitutional protections of the First Amendment.

One result of the fake ID problem is that an Internet system which verifies ID and age online by tapping into the same types of government databases utilized by Seattle police is seen by many in law enforcement as faster, more effective and more reliable than the use of plastic and--especially for criminals--fake IDs. That is why so many experts in cyber security and in law enforcement advocate for a web-based solution. And no doubt, like us, the Mayor is open to hearing about effective technological solutions as well.

As a result, it is widely understood, especially in Seattle, that -- even if there was some small or measurable law enforcement value in requiring Internet users to come in person to present a government-issued photo ID before posting on Facebook, YouTube or Twitter -- such a demand is unreasonable, stands contrary to the reality of the American Internet experience, and imposes a heavy burden on ordinary, law-abiding citizens, businesses and consumers. There is also little doubt that such a requirement would quickly cause those sites to go out of business, while the online traffic of our citizens simply moves to similar sites that may well not share our safeguards or our

Hon. Julie McCoy
August 4, 2011

commitment to law enforcement assistance. Many of those sites are overseas, and beyond the reach of U.S. law.

Ms. McCoy, unfortunately, the problem of prostitution is as old as we have existed as a people -- there is a reason it is described as the world's oldest profession. And the challenges of criminal abuses of technological and other innovations also date back through many centuries of time.

For committed public officials such as Mayor McGinn, Councilman Burgess and Chief Diaz, and for responsible, mainstream journalists and businesses such as the *Seattle Weekly* and the *Village Voice*, the challenge is not to stifle innovation or new technology, but to use them for the maximum possible advantage of our citizens and consumers, while still doing so to the safest degree possible in our open society and nation of law. We are committed to doing so, and will continue our efforts to make the web safe for children, friendly for consumers, and hostile to criminals. We would prefer to do so in collaboration with responsible public officials like the Mayor, the Councilman and the Chief, which is why we have considered the Mayor's four core requests, acted quickly to identify effective solutions, and responded with a "yes" to all four requests in accordance with the Mayor's timeline.

In any collaborative effort involving public officials and the private sector -- let alone newspapers like the *Village Voice* -- it has never been necessary to achieve an absolute unanimity of views in order for public good to be done. The Mayor said on Monday that we are striking a different balance than he would. Fair enough. We will assume for the sake of discussion that the Mayor and many other officials might also strike a different balance than that of the *Seattle Times*, or the *New York Times*. And that there may be citizens or newspapers out there who would strike a different balance on some issues than the Mayor.

Our expectation is that over the weeks and months ahead, we will demonstrate our commitment by our actions and, we believe, by our results. Which is why, today, Backpage.com is answering "yes" to all four of the Mayor's requests of July 1, 2011. And inviting the Mayor and his team to continue to work with us and so many others in the community who, like him, are determined to do their part to help protect the most vulnerable in our communities.

We are hoping the Mayor is able to take yes for an answer, and hoping he and his team can continue to work with law enforcement and the private sector to seek appropriate Web-based solutions to Web-based problems.

Hon. Julie McCoy
August 4, 2011

Thank you for your interest. Please let us know about your proposed Seattle police training dates. We look forward to continuing our cooperative dialogue and efforts, and to the Mayor's response.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Carl Ferrer", with a long horizontal flourish extending to the right.

Carl Ferrer
Vice President

cc: Mayor Mike McGinn
Councilman Tim Burgess
Police Chief John Diaz
Capt. Dave Emerick
Lt. Eric Sano
Edward McNally