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JetBlue Is Sued Over Release of Data on Its Passengers to U.S. Contractor

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JetBlue Airways Corp. was hit Monday with a federal lawsuit and a regulatory complaint for allegedly violating the privacy rights of as many as 5 million passengers whose names and itineraries were turned over to a Defense Department contractor in violation of the airline's own privacy policy.

The suit, which seeks class-action status, was filed in Los Angeles by local civil rights attorney Stephen Yagman on behalf of three passengers from California and one from Florida. The suit seeks general damages of \$75,000 per passenger plus unspecified punitive damages.

New York-based JetBlue has apologized for providing the data without customer permission to Torch Concepts of Huntsville, Ala., which used it as part of a study for the Defense Department on ways to identify "high-risk" passengers.

David Neeleman, JetBlue's chief executive, said last week that the information had not been shared with any government agency and that Torch Concepts had since destroyed the passenger records.

Also on Monday, the Electronic Privacy Information Center filed a complaint with the Federal Trade Commission, asking regulators to prosecute JetBlue for releasing the data.

"Such action violated the publicly posted privacy policies of both companies and misled consumers in a very unfair and deceptive manner," EPIC staff counsel Marcia Hoffman told reporters in a conference

call.

EPIC also asked the Federal Aviation Administration, the Army and the Transportation Security Administration for information about the program.

"We take these allegations very seriously and we will review this petition carefully," said FTC spokeswoman Claudia Bourne Farrell.

Passenger data is commonly passed around in the travel industry, said author and privacy activist Edward Hasbrouck. Reservation firms have provided airline and hotel records to government contractors on several occasions, he said.

"The abuse of privacy by JetBlue was not unusual," said Hasbrouck. "What was unusual is JetBlue actually having a privacy policy."

A JetBlue spokesman did not return a call seeking comment.

JetBlue shares fell 96 cents Monday to \$57.96 on Nasdaq.

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