

will be available for inspection and copying at its principal office in accordance with Section 4.9(b)(6)(ii) of the Commission's Rules of Practice (16 CFR 4.9(b)(6)(ii)).

Analysis of Proposed Consent Order To Aid Public Comment

The Federal Trade Commission has accepted, subject to final approval, an agreement containing a consent order from WebTV Networks, Inc. ("WNI").

The proposed consent order has been placed on the public record for thirty (30) days for receipt of comments by interested persons. Comments received during this period will become part of the public record. After thirty (30) days, the Commission will again review the agreement and the comments received, and will decide whether it should withdraw from the agreement or make final the agreement's proposed order.

WNI advertises and promotes the WebTV system, consisting of a set-top box and an Internet service which, together, allows users to connect to the Internet through a telephone line and a television. WNI licenses the set-top box technology to various companies, including Sony, Philips Electronics, and Mitsubishi, which manufacture and sell the boxes. WNI sells the Internet service for a flat monthly fee.

This matter concerns allegedly false and deceptive advertising for the WebTV system. The Commission's proposed complaint alleges that WNI falsely claimed that:

- The WebTV system provides access to all of the Internet's content, including all of the entertainment and information available on the Internet. In fact, WebTV users are unable, for example, to access files on Web sites that use popular formats or programming languages, including technologies for Web site audio, video, interactivity, and multimedia used for online entertainment and information communication.

- The WebTV set-top box is equivalent to a personal computer with respect to its Internet-related performance. In fact, in contrast to a computer, WebTV users are unable, for example, to download, store, or run software available on the Internet; display certain Web pages or play certain Web pages or play certain Web files; or open email attachments in certain common formats.

- WNI's upgrades to the WebTV system keep users current with the latest Internet technology. In fact, those upgrades have failed to provide certain commonly used Internet technologies for audio, video, interactivity, and multimedia.

The complaint also alleges that, in advertising the total cost of using the WebTV system, WNI failed to disclose adequately that a significant percentage of U.S. consumers will incur long distance telephone toll charges while connected to the Internet through the WebTV Internet service. The complaint alleges that this is a deceptive practice.

The proposed consent order contains provisions designed to prevent WNI from engaging in similar acts and practices in the future.

Part I of the proposed order prohibits the three alleged false representations, as well as any false representation related to access to Internet content or functionality of any Internet access product or service.

Part II of the proposed order prohibits WNI from making any representation about the cost of any Internet access product or service unless it discloses certain material information. If using such product or service to access the Internet may result in telephone toll charges, this fact must be disclosed, clearly and conspicuously, along with how consumers can determine whether they would be subject to these charges.

Part III of the proposed order requires that WNI make clear and conspicuous disclosures about long distance charges on a log-on screen, dialog box, or other similar device that appears prior to any Internet access product dialing a telephone number for which there is a toll charge. The disclosures must state the following: (a) That the user will or will likely incur such a charge while connected to the Internet access service; (b) how the user can determine whether in fact (s)he will incur such a charge, and the amount of the charge; and (c) a source of information about means, if any, of avoiding the charge. Under this provision, WNI must use a procedure designed to ensure that the user expressly consents to connecting on a toll basis, before a toll charge is incurred.

Part IV of the proposed order requires that WNI clearly and conspicuously disclose in its Terms of Service and introductory kit, or the equivalent documents it provides to new subscribers, that users may incur toll charges while using the Internet service, if that is the case, and how users can determine whether they would incur these charges.

Part V of the proposed order requires that WNI offer reimbursement to certain former subscribers to its Internet service for toll charges they incurred. Subscribers eligible for reimbursement are those who: (a) Incurred toll charges before March 1, 1999, and within sixty days of subscribing to the service; (b)

have not been previously reimbursed; (c) canceled their subscription before April 1, 1999, and within ninety days of subscribing to the service; (d) identified toll charges as a reason for canceling; and (e) provide proof of the charges. Eligible subscribers may receive reimbursement for toll charges incurred in the first two months of their subscription. Subscribers who cannot provide phone bills as proof of the charges would receive reimbursement up to a maximum dollar amount, which depends on the type of proof submitted.

Part VI of the proposed order requires WNI to notify its advertising agencies, manufacturers, and retailers to discontinue making any of the advertising claims prohibited by the order. WNI must also set up, staff, and refer consumers to a toll-free customer service telephone number (or a similar mechanism that is free to consumers) that would handle inquiries regarding telephone toll charges.

Part VII describes a consumer education campaign that WNI must undertake to inform consumers about the limitations of Internet access devices as compared to computers. The campaign will include one-half page advertisements in three national magazines, as well as a brochure that WNI will (a) distribute to retailers selling WebTV set-top boxes for posting in the stores and (b) post on its Web site.

Parts VIII through XI of the proposed order are reporting and compliance provisions. Part XII is a provision "sunsetting" the order after twenty years, with certain exceptions.

The purpose of this analysis is to facilitate public comment on the proposed order. It is not intended to constitute an official interpretation of the agreement and proposed order or to modify in any way their terms.

By direction of the Commission.

Donald S. Clark,

Secretary.

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BILLING CODE 6750-01-M

GENERAL SERVICES ADMINISTRATION

DEPARTMENT OF DEFENSE

Office of Communications; Cancellation of a Optional Form

AGENCY: General Services Administration DoD.

ACTION: Notice.

SUMMARY: The Department of Defense cancelled the following Optional Form because of low usage:

OF 87A, Attention—Electrostatic Sensitive Devices (Label)

DATES: Effective October 31, 2000.

FOR FURTHER INFORMATION CONTACT: Ms. Barbara Williams, General Services Administration, (202) 501-0581.

Dated: October 10, 2000.

Barbara M. Williams,

Deputy Standard and Optional Forms Management Officer.

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BILLING CODE 6820-34-M

GENERAL SERVICES ADMINISTRATION

Privacy Act of 1974; System of Records

AGENCY: General Services Administration.

ACTION: Notice of a new system of records subject to the Privacy Act of 1974.

SUMMARY: The General Service Administration (GSA) is providing notice of the establishment of a new system of records, Personal Property Sales Program (GSA/FSS-13). The new system will collect information for use in soliciting bids and awarding contracts on sales of Federal personal property. Information in the system will be provided voluntarily by individuals who wish to buy Federal personal property through sales and auctions conducted by GSA.

DATES: Comments on the new system must be provided November 30, 2000. The new system will become effective without further notice on November 30, 2000 unless comments dictate otherwise.

ADDRESSES: Address comments to: Director, Personal Property Division (FBP), Federal Supply Service, General Services Administration, 1941 Jefferson Davis Highway, Crystal Mall Building 4, Arlington, VA 22202.

FOR FURTHER INFORMATION CONTACT: Personal Property Division, Federal Supply Service, at the above address, or telephone (703) 305-7240.

GSA/FSS-13

SYSTEM NAME:

Personal Property Sales Program.

SYSTEM LOCATION:

System records are maintained by the General Services Administration (GSA) at several locations. A complete list of the locations is available from the System Manager.

INDIVIDUALS COVERED BY THE SYSTEM:

The system will include those individuals who request to be added to GSA bidders' mailing lists, register to bid on GSA sales, and enter into contracts to buy Federal personal property at sales conducted by GSA.

RECORDS IN THE SYSTEM:

The system contains information needed to identify potential and actual bidders and awardees, and transaction information involving personal property sales. System records include:

a. Personal information provided by bidders and buyers, including names, phone numbers, addresses, Social Security Numbers, and credit card numbers or other banking information; and

b. Contract information on Federal personal property sales, including whether payment was received, the form of the payment, notices of default, and contract claim information.

AUTHORITY FOR MAINTAINING THE SYSTEM:

Sections 201 and 203 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 481 and 484), which assign responsibility for the disposition of property to the Administrator of General Services.

PURPOSE(S):

To establish and maintain a system of records for conducting public sales of Federal personal property by GSA.

ROUTINE USES OF THE SYSTEM RECORDS, INCLUDING CATEGORIES OF USERS AND THEIR PURPOSES FOR USING THE SYSTEM:

System information may be accessed and used by authorized GSA employees or contractors to prepare for and conduct personal property sales, administer sales contracts, perform oversight or maintenance of the GSA electronic systems and, when necessary, for sales contract litigation or non-procurement suspension or debarment purposes.

Information from this system also may be disclosed as a routine use:

a. In any legal proceeding, where pertinent, to which GSA is a party before a court or administrative body.

b. To a Federal, State, local, or foreign agency responsible for investigating, prosecuting, enforcing, or carrying out a statute, rule, regulation, or order when GSA becomes aware of a violation or potential violation of civil or criminal law or regulation.

c. To duly authorized officials engaged in investigating or settling a grievance, complaint, or appeal filed by an individual who is the subject of the record.

d. To the Office of Personnel Management (OPM) or the General Accounting Office when the information is required for evaluation of the program.

e. To a Member of Congress or his or her staff on behalf of and at the request of the individual who is the subject of the record.

f. To an expert, consultant, or contractor of GSA in the performance of a Federal duty to which the information is relevant.

g. To the GSA Office of Finance for debt collection purposes (see GSA/PPFM-7).

h. To the National Archives and Records Administration (NARA) for records management inspection conducted under 44 U.S.C. 2904 and 2906.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF SYSTEM RECORDS:

STORAGE:

Information may be collected on paper or electronically and may be stored on paper or on electronic media, as appropriate.

RETRIEVABILITY:

Records are retrievable by a personal identifier or by other appropriate type of designation approved by GSA.

SAFEGUARDS:

System records are safeguarded in accordance with the requirements of the Privacy Act, the Computer Security Act, and OMB Circular A-130. Technical, administrative, and personnel security measures are implemented to ensure confidentiality and integrity of the system data stored, processed, and transmitted. Paper records are stored in secure cabinets or rooms. Electronic records are protected by passwords and other appropriate security measures.

RETENTION AND DISPOSAL:

Disposition of records is according to the National Archives and Records Administration (NARA) guidelines, as set forth in the handbook, GSA Records Maintenance and Disposition System (OAD P 1820.2), and authorized GSA records schedules.

SYSTEM MANAGER AND ADDRESS:

Director, Personal Property Division (FBP), Federal Supply Service, General Services Administration, 1941 Jefferson Davis Highway, Crystal Mall Building 4, Arlington VA 22202.

NOTIFICATION PROCEDURE:

Individuals may submit a request on whether a system contains records about them to the system manager at the above address.