**Personal Information in the Cloud is Headed For Regulation:**
**The Challenge of Emerging Privacy-Friendly Competitors**

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**Abstract:**
Client-cloud aggregators (Google, Microsoft, Facebook, etc.) make money brokering advertisements. The better targeted the ads, the more money they make. To better target advertisements, aggregator systems need intimate personal information. For example, aggregators can use a consumer's eating habits together with current state of hunger and physical location to better target restaurant ads.

Providing valuable information services for free is how aggregators acquire the intimate personal information needed to better target advertising. For example, a smartphone can help a consumer organize all their information, make purchases, and communicate with others. The more the smartphone knows about the user, the more it can do in the way of helpful information services. Ultimately, there will be very few secrets between a user and their smartphone. And the more a smartphone knows about its user, the better job it can do targeting ads. Merchants are willing to pay a lot for well-targeted ads that result in increased business.

Client-cloud aggregators will face the challenge of emerging privacy-friendly competitors that perform information integration using client equipment instead of cloud datacenters. These competitors will have important advantages over cloud aggregators including increased revenue from better targeted advertising, lower operational costs, fewer requirements for government regulation, and greater consumer and advertiser satisfaction.

**About the Speaker:**
Carl Hewitt is Emeritus at MIT in the EECS department. He is known for his research on strongly paraconsistent logic, privacy-friendly client cloud computing, norms and commitments for organizational computing, and concurrent programming languages, models, and theories.