



February 26, 2011

In the aftermath of the California Supreme Court decision ruling that a ZIP Code is personally identifiable information under the California statute, Amazon and Paypal have been sued because they asked for the billing address of a credit card in a remote sale. Any cataloger or Internet seller asking for billing address in a credit card remote transaction should be aware that they are subject to a class action lawsuit in California.

"If these suits are successful, California law will be aiding credit card fraud and identity thieves—something that is ridiculous," said Jerry Cerasale, Senior Vice President for the Direct Marketing Association. "These suits are the consequence of an illogical decision by the California court," he continued.

DMA and its California lobbyists are working with a coalition of California businesses seeking a legislative fix to this illogical consequence. In the meantime, however, remote marketers should reconsider their telephone and Internet questions for credit card sales. The California law allows marketers to ask for address information for delivery of the product, but if the shipping address differs from the billing address, asking for the billing address to combat fraud may lead to defending against a class action suit,

DMA will be holding a conference call on this issue for members on Tuesday, March 1.

For information to join the call please contact Jerry Cerasale at jcerasale@the-dma.org.

Sincerely,

A handwritten signature in black ink that reads "Neil C. O'Keefe". The signature is written in a cursive style with a large, stylized "N" and "O".

Neil C. O'Keefe
Vice President, Multichannel Segments
Direct Marketing Association