Facebook has agreed to 20 years of privacy audits to settle a lengthy complaint from the Federal Trade Commission, which says Facebook misled its members about its use of their private data. The order, announced by the Federal Trade Commission in Washington, stems largely from changes that Facebook made to the way it handled its users’ information in December 2009. The commission contended that Facebook, without warning its users or seeking consent, made public information that users had deemed to be private on their pages.

Facebook Settles FTC Lawsuit

MARK YOUR CALENDARS

Events this week:

- “Legal Institutions & Financial Crises,” with Professor Robert Shiller, 12/6, 6:10pm, 109
- “Managing Disputes through Contracts,” John C. Coates, 12/7, 12:15pm, 121
- Screening of Margin Call, 12/7, 6:10, 127
- Surprise Celebration for Professor Romano, the first female Sterling Professor, 12/8, 6:15pm, Alumni Reading Room
- YLS Community Happy Hour, 12/9, 5, Dining Hall

Google Jumps Into Online-Law Business With Rocket Lawyer

Venture capitalists are pouring money into one of the last industries to resist commoditization on the Web. Google Ventures today announced it is part of a group that infused $18.5 million into Rocket Lawyer, which bills itself as the “fastest growing online legal service.”

Rocket Lawyer’s founder Charley Moore says the firm has 70,000 users a day and has doubled revenue for four years straight to more than $10 million this year. Rocket Lawyer provides online legal forms, from wills to Delaware certificates of incorporation, which non-lawyers can fill out and store and share on the Web. For $19.95 a month, consumers can also have their documents reviewed by a real lawyer and even get legal advice at no additional cost. Rocket Lawyer raised $7 million in June from Investor Growth Capital, put former LinkedIn Chief Executive Dan Nye in charge as president, and its directors include David Drummond, Google’s top lawyer.

The multibillion-legal industry could seem to be a natural for disintermediation, or in layman’s terms, breaking up into higher-volume, lower-margin parts. Not surprisingly, a number of traditional lawyers have challenged these online competitors in court on the grounds that their practice is unauthorized.

Medical-Testing Industry in the Supreme Court

The growing medical-testing industry will go before the Supreme Court this week in a high-profile patent case that set the Mayo Clinic against a company trying to protect its diagnostic tests (Prometheus). Companies are patenting more tests that help doctors set drug dosages or determine whether a person can benefit from a particular treatment as well as screening tests that identify people’s risk factors for disease. Medical groups argue that many of the new patents run afoul of prohibitions on patenting abstract ideas or laws of nature. The groups say no one should enjoy exclusive rights to tests that observe the human body’s natural response to illness or treatments. But biotechnology and pharmaceutical companies say patents on diagnostic tests have spurred advances in personalized medicine as well as tailoring treatments to a person’s unique biology. Read the briefs for Mayo Collaborative Services v. Prometheus Laboratories.

Editors: Marianna B. Ofose, Jackie Carter and Taylor Hedrick

With contributions from the YLBS Board and members