
RUSSIA TO BLOCK LINKEDIN OVER DATA-PRIVACY DISPUTE

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11.11.2016

Wall Street Journal, 10 Nov 2016

MOSCOW □ Moscow court upheld a decision to ban the professional social network LinkedIn Corp. in Russia on Thursday in a landmark ruling enforcing a personal data law.

LinkedIn is the first foreign company to publicly clash with Russias communications regulator, Roskomnadzor, over the law, which requires foreign and local companies to store personal data of Russian users within the countrys borders from September 2015.

A spokesman for Roskomnadzor said the agency would proceed with blocking the website as soon as it received the courts decision.

The spokesman also said that the regulator would now enter LinkedIn into a special registry of websites that are in violation of the data-localization law. The website will be blocked in Russia three working days after that, he added.

In early August, a lower court ruled in favor of Roskomnadzor, saying that LinkedIn didnt comply with Russian law on two counts: by not storing information about Russians on servers inside the country, and by processing information about third parties who arent registered on the site and havent signed the companys user agreement.

In response to the court decision, a spokesman for LinkedIn said the court decision has the potential to deny access to LinkedIn for the millions of members we have in Russia and the companies that use LinkedIn to grow their businesses.

The company said it was interested in meeting with Roskomnadzor to discuss the data-localization law.

LinkedIn has 2.6 million users who access the site from computers and phones in Russia, according to the marketing research firm TNS.

Russia has repeatedly clashed with a handful of foreign technology companies, including Facebook Inc. and Twitter Inc., who have resisted installing data centers on Russian soil under the new law. Last year, Alphabet Inc.'s Google began moving some of its servers to Russian soil in an effort to comply with the law.

Western technology executives have argued that the law, passed in 2014, could serve as a way for the Russian authorities to demand more access to user data, giving the government more control over online behavior in the country.

Since the law came into effect last year, Roskomnadzor has checked 1,500 companies to ensure they abide by the data-localization law.

Im not going to name the names of the companies [REDACTED] this is to a large extent commercial information [REDACTED] major internet giants are in the process of complying with the law, Roskomnadzor head Alexander Zharov said before the decision.

It looks like this is truly a signal for all other companies that Roskomnadzor is quite determined, said Evgeny Oreshin, a lawyer for Goltsblat BLP who is following the case.

In a separate move, a Russian antitrust watchdog announced Thursday that it was opening a case against Microsoft Corp. for abusing its dominant market position.

The Federal Antimonopoly Service said in a statement that it had opened a case to investigate Microsoft over its antivirus software. The statement said the company may be giving preferential treatment to its own operating system over that of competitors.

The regulator said the case had been initiated after a complaint by Kaspersky Lab, a Russian cybersecurity firm.