The following is the response to the CMA "Online platforms and digital advertising market study interim report" from The Joint Industry Committee of Web Standards (JICWEBS). This is specific to Appendix I, point 4 - Insufficient transparency for advertisers in digital advertising.

1. Introduction

The CMA has launched a market study into online platforms and the digital advertising market in the UK. As part of this you will 'examine the extent to which platforms' market power might distort competition in digital advertising, as well as concerns around transparency and conflicts of interest in the intermediation of advertising'.

[JICWEBS](#) develops digital advertising standards, including the world's most stringent brand safety certification here in the UK, allowing all organisations in the supply chain to be transparent about their business practices, should they choose to do so. We are also facilitating a pilot into blockchain t Distributed Ledger Technology (DLT) during 2019 and 2020, to understand more about how this technology could bring greater transparency to digital advertising transactions.

2. What is JICWEBS?

JICWEBS is an independent, not-for-profit organisation, representing all sides of the digital advertising industry. We're a joint industry committee (JIC), made up of four trade bodies: The Association of Online Publishers (AOP), The Internet Advertising Bureau UK (IAB), The Institute of Practitioners in Advertising (IPA) and The Incorporated Society of British Advertisers (ISBA).

JICWEBS is owned by the industry – advertisers, agencies and media owners – to set rigorous, transparent and objective ad trading standards for digital advertising in the areas of brand safety, ad fraud and the viewability of ads. Media companies – from the tech giants and large publishers to media buying agencies and ad technology businesses, all along the supply chain – sign up to JICWEBS standards and undergo an audit to gain certification.

3. JICWEBS Standards, certification and membership

In 2018 Internet advertising in the UK rose by 15% to over £13.4bn, some 57% of total media advertising. JICWEBS Standards relate to display advertising and the associated risk, which accounted for £5.25bn spend last year. The vast majority of this is traded 'programmatically' targeting consumer behaviour in real time, rather than targeting specific content. This is usually highly efficient for the advertiser, but can result in brand ads appearing on harmful and inappropriate pages, ('unsafe' environments), unviewable ad impressions and is a magnet for fraudulent activity.

[JICWEBS Standards](#) in these areas set out and audit industry best practice to minimise risk across the digital advertising supply chain.

Companies signing up to JICWEBS have six months to prepare for an audit with a JICWEBS approved auditor. When they pass the audit, they become JICWEBS certified and a certificate is produced which transparently details how they apply our best practice standards. JICWEBS membership has risen sharply over the last 12 months from 65 companies to around 125, including Facebook, Google, YouTube, Twitter, Group M, eBay and Spotify with Sky currently undergoing their audit. A full list of JICWEBS signatories and certified members can be accessed here.

5. JICWEBS partnership with US organisation, TAG
JICWEBS partners with its equivalent US organisation, The Trustworthy Accountability Group (TAG), which was founded five years ago to combat online ad fraud and piracy. During 2020 TAG's brand safety seal is due to be upgraded to the JICWEBS standard to bring the US into line with the UK.

6. JICWEBS DLT/Blockchain Pilot
In July 2019 JICWEBS launched an industry wide pilot, with the support of ISBA, IPA, IAB UK and AOP, to evaluate how an industry wide permissioned consortium network using blockchain - or more widely Distributed Ledger Technology (DLT) - can contribute to resolve the trust, transparency and inefficiency problems the digital advertising industry is facing, in line with the CMA and ICO concerns expressed in their reports.

Besides the value and efficiency gains DLT can drive for network participants, the pilot is evaluating how DLT can drive accountability and enforce real time "live compliance" with regulation, industry standards, certifications and best practices.

An industry wide permissioned DLT network, governed and operated by trade associations, powered by a DLT platform tracking ad impression log level data across the supply chain allows (i) to filter participants based on minimum requirements to participate, partly eliminating fraud and poor practices, and (ii) to conduct an ongoing monitoring of the consistent enforcement of measurable requirements by all network participants at all times. This could include "live compliance" with the certifications defined by JICWEBS and TAG, the proper implementation of IAB Europe's Transparency and Consent Framework, or the compliance with any other measurable rule, such as a specification, policy, standard or law using DLT.

The participants to the JICWEBS DLT Pilot are several larger advertisers, including Unilever, Nestlé, McDonald's, Virgin Media and Telefonica; larger agency groups, including WPP, Publicis, Omnicom, Havas; technology companies, including Xandr, Rubicon, Index Exchange, Integral Ad Science, Moat/Oracle; and a range of publishers, including Sky, eBay, Gumtree, Rightmove, Netmums. The DLT platform being evaluated has been developed over 3 years by London based Fiducia, a DLT company focused on digital advertising, which has partnered with R3/Corda, the providers of the DLT enterprise protocol most widely used by the banking and finance industry.

The pilot has provided promising initial results that are getting assessed by an independent Evaluation Committee of industry and blockchain experts, including representatives of each

of the trading associations. The Committee will provide a recommendation to the industry about next steps by mid-March 2020 and will in particular answer the following questions:

- Is DLT suited to enhance trust and transparency in the digital advertising industry?
- Should JICWEBS and the trade associations be acting as the governing and operating entities of an industry wide DLT consortium network?
- Is the Fiducia/Corda DLT platform the best suited technology partner should a market launch be considered as a next step?

Considering the role a DLT industry consortium network could play, in combination with other industry initiatives, to provide an appropriate answer to some of the major concerns expressed by the ICO and the CMA, JICWEBS and its related trade associations will be making a decision within H1 2020 for a possible market launch in early 2021.

6. Summary and suggested next steps
JICWEBS is very interested in the ICO and CMA online platforms and digital market study as it closely touches the areas we cover, and which our standards have been created to help tackle. Our DLT/blockchain initiative should be of interest to the study, as we further examine how this technology can help the industry to increase trust, transparency and efficiency by following advertising spend across the digital supply chain. We believe a DLT network governed and operated "for the industry by the industry" could be a potential remedy to some of the major challenges the study uncovers and ensure the universal enforcement of standards and certifications across the supply chain.

JICWEBS would therefore welcome an invitation by the ICO and the CMA to explain our work more fully, and to take an active role on any consultative groups you may create.

For more information and any questions regarding JICWEBS please contact CEO, jules.kendrick@jicwebs.org