



**Asia-Pacific
Economic Cooperation**

2009/TEL39/SPSG/SYM/006rev5

U.S. Federal Trade Commission's Approach to Promoting a Safer Internet Environment for Children

Submitted by: United States



**APEC-OECD Joint Symposium on Initiatives
Among Member Economies Promoting Safer
Internet Environment for Children**

**Singapore
15 April 2009**



FEDERAL TRADE COMMISSION

U.S. Federal Trade Commission's Approach to Promoting a Safer Internet Environment for Children

Phyllis H. Marcus
Federal Trade Commission

U.S. FTC Approach to Promoting a Safer Internet Environment for Children

- Enforcement
- Education
- Encouraging Self-Regulation
- Exploring the Marketplace



Enforcement

- FTC Act (15 U.S.C. § 45)
- CAN-SPAM Act (15 U.S.C. §§ 7701-7713)
 - Adult Labeling Rule (16 C.F.R. Part 316.4)
- Children's Online Privacy Protection Act (15 U.S.C. §§ 6501-6508)



Enforcement: The FTC Act

- General statutory authority to prohibit unfair or deceptive acts or practices in or affecting commerce.
- *FTC v. Various, Inc. d/b/a AdultFriendFinder (Dec. 2007)*



Enforcement: CAN-SPAM & ALR

- Places a bumper between "x-rated" email and children.
- Commercial e-mailers must:
 - alert recipients to the presence of sexually explicit content in the subject line; and,
 - ensure that the initially viewable area of the email message contains no graphic sexual images.



Enforcement: Children's Online Privacy Protection Act (COPPA)

- COPPA is the only child-specific federal privacy law in the United States.
- Commercial website operators must provide **NOTICE** and obtain parents' **CONSENT** before collecting personal information from children under age 13.



COPPA's Goal

- Permit parents to make informed choices about when and how children's personal information is collected, used, and disclosed online; and,
- Enable parents to monitor their children's interactions and help protect them from the risks of inappropriate online disclosures.



Who must comply with COPPA?

- Commercial sites **directed to children** that collect, maintain, or provide the opportunity to disclose PII.
- Operators of **general audience sites** (including teen/tween sites) who have actual knowledge that they collect kids' PII.
- Entities on whose behalf operators collect the information.



Who must comply with COPPA?

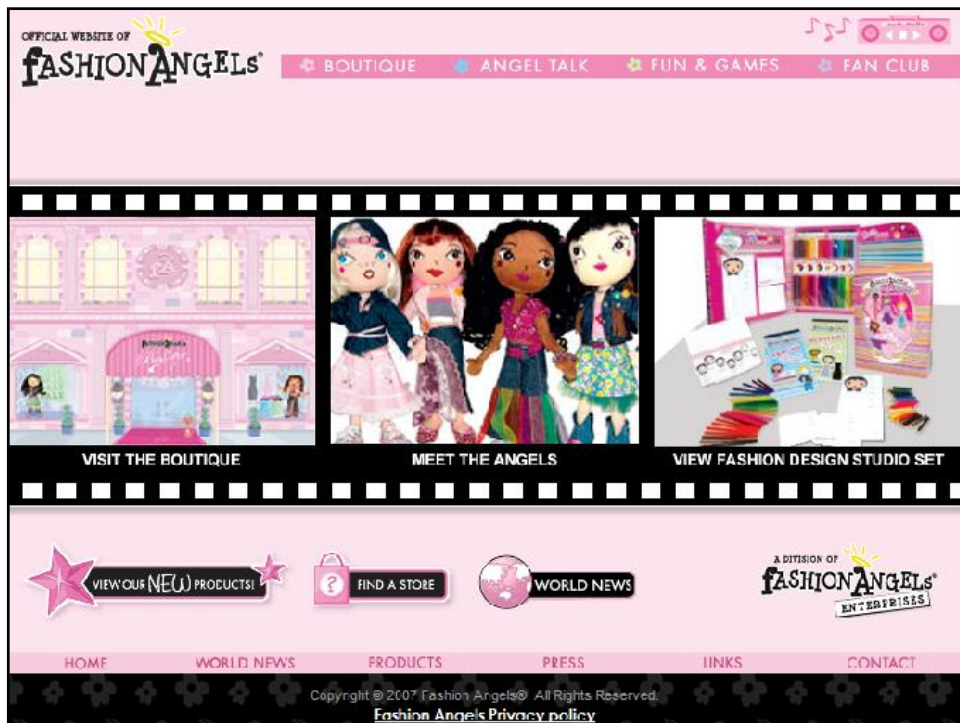
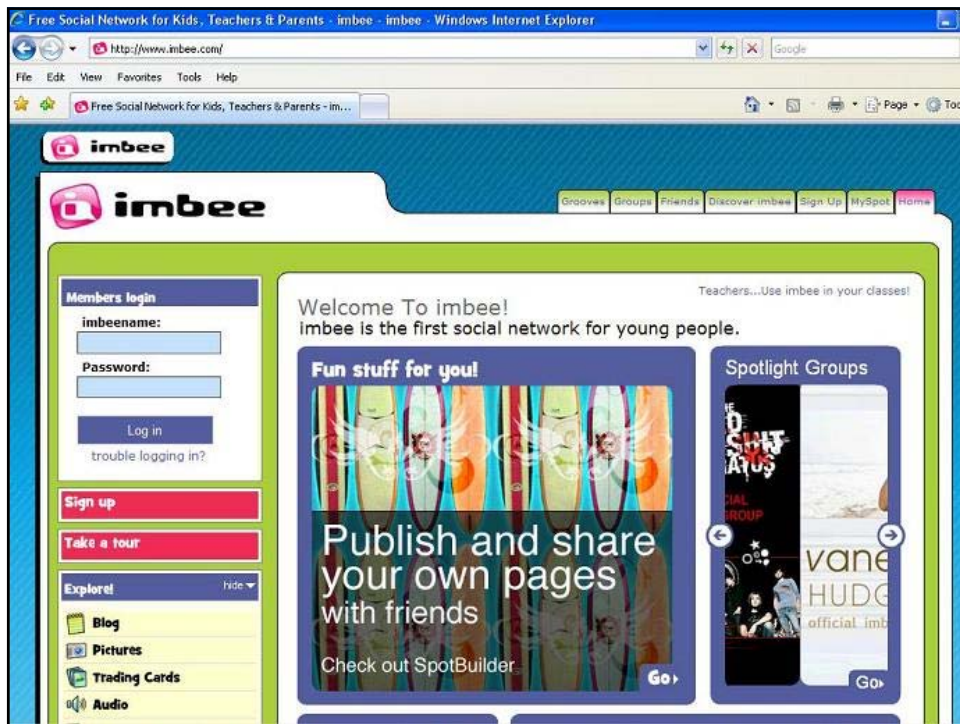
- "Operator" -- any person who operates a website located on the Internet and who collects/maintains PII from or about the site's users, or on whose behalf such information is collected/maintained, where such site is operating for commercial purposes involving commerce.
- Includes foreign-based websites involved in commerce in the U.S. or its territories. Such sites must comply if they are directed to, or knowingly collect PII from, U.S. children.
- Conversely, U.S.-based websites that collect information from children outside of the U.S. also are subject to COPPA.



Websites "directed to children"

FTC considers several factors, including:

- Subject matter, content, age of models, language, graphics, activities, or incentives;
- Whether advertising promoting or appearing on the site is directed to children;
- Evidence about intended audience;
- Empirical evidence about audience composition.



General Audience Websites

- Must have **actual knowledge** that they collect personal information from children.
- "Actual knowledge" can come from asking a child's age, grade, birthday, other age-identifiers. May also come from notification from a concerned parent or other individual.


The screenshot displays the Xanga website interface. At the top, there is a navigation bar with the Xanga logo, the tagline "the blogging community", and links for "Home", "Explore", and "Start a Blog!". A search bar is located in the top right corner. Below the navigation bar, a featured blog post is visible with the title "To You, What Is Sexy?" and a snippet of text: "Admittedly, I think of Victoria's Secret first when I think of the word 'sexy' - good marketing job, guys. But...". The post is attributed to "Datingish" and has 1155 views and 62 comments. Below this, a section titled "Featured Weblogs" lists two more posts: "President Obama and His Special Olympics Joke" by "mamapig" and "Thursday Nights" by "Bricker59". A search bar is also present in the bottom right corner, and a featured question is displayed: "As a child, what was your favorite book? Have you reread that book since".

What is "personal information?"

- Full name
- Physical address
- E-mail address,
- Social Security Number
- Telephone number
- A screen name revealing an e-mail address
- A persistent identifier, such a number held in cookie, which is combined with personal information
- Any information tied to personal information -- age, gender, hobbies, preferences, etc.

sign up - imbee.com - Industrious Kid Page 1 of 1

[Groups](#) [Login](#) [Sig](#)



Kid Registration

<p>Create an imbeename:* But don't use your real name! Think of something fun and simple.</p> <input type="text" value="BelleMike"/> Enter a password:* <input type="password"/> Enter your password again:* <input type="password"/> <p>You are a:* <input type="checkbox"/> Boy <input checked="" type="checkbox"/> Girl</p> <p>When were you born?* Feb <input type="text" value="23"/> 1997 <input type="text"/></p>	<p>Enter your first name:* <input type="text" value="Belinda"/></p> <p>Enter your last name:* <input type="text" value="Michaels"/></p> <p>Enter an email if you have one: <input type="text"/></p> <p>Enter your parent's email:* An email invitation will be sent to this parent. <input type="text" value="phyllismarcus@comcast.net"/></p> <p>How did you hear about imbee?: Other <input type="text"/></p> <p style="text-align: center;"><input type="button" value="SIGN ME UP"/></p>
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savings sent to your cell phone

Why print coupons when you can have them sent to your wireless phone?

Sign up for Borders Mobile Alerts, and you'll always have savings in hand when you're at Borders! We'll text you Borders Mobile coupons, as well as details about special offers available in store and online and information about books, music, and movies you'll love.

Email address:

ex: johndoe@email.com

Wireless phone number:

ex: 1234567890

Wireless phone carrier: --SELECT CARRIER--

Date of Birth:

ex: mmddyyyy

Yes, I want to receive text message notifications from Borders

submit



Email:

Name:

Date of Birth: Month: Day: Year:

City:

State:

Country:

Cell Phone Number: (Including Area Code)
Please do not include a "1" in front of the area code.
Standard text messaging rates may apply.

Select Carrier:

Subscribe

Examples of non-personal information

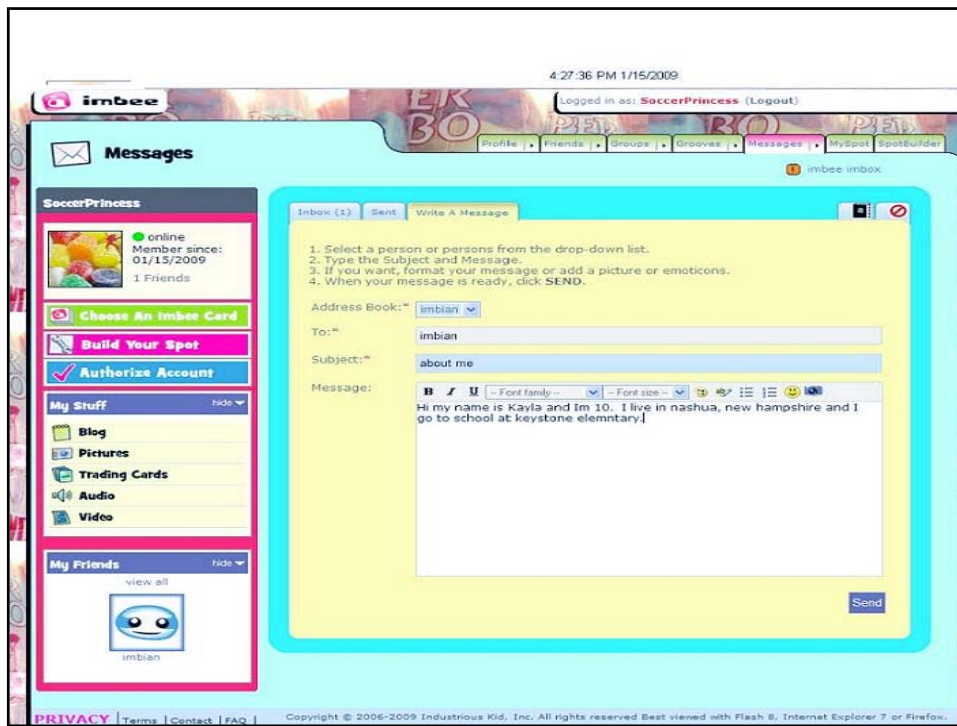
- First name only, without other identifying information
- A screen or user name that is not tied to an email address or other identifying information
- Gender, hobby, or preference information that is not tied to an email address or other identifying information



What constitutes a "collection" of personal information?

- Requesting that children submit personal information online, even if the information is "optional."
- Enabling children to make the information public, *e.g.*, in a chat room, on a message board, on a fan page.
- Passive tracking linked to personal information.

The screenshot shows the MusicBox website interface. At the top, there are navigation links for "VIDEOS", "SHOP", and "RINGTONES". The main header features the "musicBOX" logo and several promotional banners for "Meridian F.I.D.S. TV", "Music Box Store", and "Apoptosis Proteins". Below the header, there are tabs for "Home", "Artists A-Z", "Videos", "Music", "Photos", "News", and "Forums". The user is logged in as "Soccerguy0212" and has a "Log Out" option. The main content area displays the video for "No One" by Alicia Keys. The video player shows a woman in a white top. Below the video, there are options to "Rate" the video, "Add Video to Favorites", and "Embed Code". A "Comments (27)" section is visible, with a comment from "Sarah Miller" asking "Was this helpful?". To the right of the video, there is a "Related" section with thumbnails for other videos like "Alicia Keys No One" and "Alicia Keys". Below that is a "More Alicia Keys" section with a large image of Alicia Keys and a list of related content: "WATCH: 9 Alicia Keys Music Videos", "SEE: 99 Alicia Keys Photos", "REVIEW: 4 Alicia Keys Albums", "READ: Alicia Keys News", "DISCOVER: Alicia Keys Bio", "PLAY: Alicia Keys Games", and "MEET: 1581 Alicia Keys Fans".



Under COPPA, Website Operators Must:

- Post a **privacy policy** and links to the policy wherever personal information is collected.
- Give parents **notice** of its information practices.
- With certain exceptions, obtain **verifiable parental consent** before collecting information.



Website Operators Also Must:

- Provide parents **access** and opportunity to **delete** child's personal information and opt-out of future collection.
- **Limit collection** of personal information.
- Ensure **confidentiality, security, and integrity** of personal information.



Verifiable Parental Consent

Must be reasonably calculated, **in light of available technology**, to ensure:

- The parent child receives **NOTICE** of the operator's practices regarding the collection, use or disclosure of the child's personal information.
- The person providing **CONSENT** is the child's parent (or legal guardian).
- New technologies may satisfy this requirement.



COPPA Enforcement Actions

- FTC actively enforces COPPA.
- Agency has filed **14** federal court actions, and has obtained nearly **\$3 million** in civil penalties, to date.



Terms of Agreements

- FTC is authorized to seek up to \$11,000/violation in penalties (as of Feb. 10, 2009, raised to \$16,000/violation);
- Consumer education;
- Deletion of personal information collected without parental consent;
- Employee education and written acknowledgement;
- Written compliance report to FTC.



COPPA Safe Harbor Program

- There are 4 approved safe harbors:
 - CARU www.caru.org
 - ESRB www.esrb.org
 - TRUSTe www.truste.com
 - Privo, Inc. www.privo.com
- An operator participating in and complying with an FTC-approved safe harbor will be deemed to be in compliance with the Rule.



Educating Consumers and Businesses

OnGuard Online

EN ESPAÑOL

TOPICS GAMES VIDEOS TOOLS ABOUT US

SEARCH

OnGuardOnline.gov provides practical tips from the federal government and the technology industry to help you be on guard against Internet fraud, secure your computer, and protect your personal information.

TOPICS
Learn Experts' Top Tips for Computer Security

GAMES
Test your Cyber Smarts with Interactive Quizzes

VIDEOS
Watch Videos about Online Safety

Show of Hands:
Should you do something if you think your computer has been infected with malware?
 No. What can you do?
 Yes, without a doubt.
VOTE

What Do You Think?

This Just In!
Did you know that parents have the right to control what information websites collect from their kids under 13?
[Kids' Privacy](#)

TOPICS

- Overview
- Computer Security
- Broadband
- Computer Disposal
- Cross-Border Scams
- Email Scams
- Identity Theft
- Internet Auctions
- Kids' Privacy
- Laptop Security
- Malware
- Online Investing
- Online Shopping
- P2P Security
- Phishing
- Social Networking Sites**
- Tips for Tweens and Teens
- Spyware
- VoIP

Safety Tips for Tweens and Teens

Quick Facts

While social networking sites can increase your circle of friends, they also can increase your exposure to people with less-than-friendly intentions. Here are some things you can do to socialize safely online:

- * Think about how different sites work before deciding to join a site. Some sites allow only a defined community of users to access posted content; others allow anyone and everyone to view postings.
- * Keep some control over the information you post by restricting access to your page.
- * Keep your full name, Social Security number, address, phone number, and bank or credit card account numbers to yourself.
- * Make sure your screen name doesn't say too much about you. Even if you think it makes you anonymous, it doesn't take a genius to combine clues to figure out who you are and where you can be found.
- * Post only information that you are comfortable with others seeing and knowing.
- * Consider not posting your photo. It can be altered or broadcast in ways you may not be happy about.
- * Flirting with strangers online could have serious consequences. Some people lie about who they really are.

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Text Size

Games and Videos:

Game: [Friend Finder](#)

Video: [Phishy Store](#)

Related Topics:

[Phishing](#)

[P2P Security](#)

[Identity Theft](#)

Links and Resources:

[Report It](#)

[Social Networking Sites: A Parent's Guide](#)

GAMES

- Overview
- AuctionAction
- Beware of Spyware
- Friend Finder
- ID Theft FaceOff
- Invasion of the Wireless Hackers
- Invest Quest
- Mission: Laptop Security
- Online Lineup
- P2P Threeploy
- Phishing Scams
- Spam Scam Slam
- The Case of the Cyber-Criminal

Friend Finder



Click to begin

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YOUR SAFETY NET™

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EN ESPAÑOL

TOPICS

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- Kids' Privacy
- Laptop Security
- Malware
- Online Investing
- Online Shopping
- P2P Security
- Phishing
- Social Networking Sites
- Spyware

Kids' Privacy

Quick Facts

Your kids' personal information and privacy are valuable — to you, to them, and to marketers. Fortunately, there are ways you can safeguard that privacy when your kids are online.

- Check out sites your kids visit, and see what kind of information the sites ask for or allow kids to post.
- Talk to your child about the risks and benefits of disclosing certain information, especially in a public forum.
- Take a look at the privacy policy, which should say what the site does with the information it collects. Then you can decide how you feel about it.
- Ask questions. If you're not clear on a site's practices or policies, ask about them.
- Be selective with your permission. In many cases, websites need your okay before they're allowed to collect personal information from your kids.
- Know your rights. For example, as a parent, you have the right to have a site delete any personal information it has about your child.

Print This Page

Share This Page

Text Size

Games and Videos:



Game: [Friend Finder](#)



Broadband Data Improvement Act of 2008

- FTC must:
 - "Carry out a nationwide program to increase public awareness and provide education regarding strategies to promote the safe use of the Internet by children";
 - report to U.S. Congress each March describing the activities carried out during the preceding calendar year.



Encouraging A Comprehensive Online Self-Regulatory System

- Features might include:
 - Abuse reporting;
 - Guidelines for strong privacy settings;
 - Record-keeping requirements;
 - Increased levels of human oversight;
 - Better cooperation with criminal authorities; and,
 - An effective enforcement mechanism



Exploring the Marketplace

Beyond Voice:



When:

May 6-7, 2008

Where:

FTC Conference Center
601 New Jersey Avenue, NW
Washington, DC 20001

The Federal Trade Commission will host a Town Hall meeting on May 6-7, 2008, to explore the evolving mobile commerce (M-commerce) marketplace and its implications for consumer protection policy. This Town Hall, titled "Beyond Voice: Mapping the Mobile Marketplace," follows up on the FTC's November 2006 forum, "Tech-Ade," which examined key technological and business developments that will shape consumers' experiences over the next decade.

The Town Hall meeting will explore consumer protection issues in the rapidly expanding world of M-commerce, which connects consumers with advertisers, marketers, and a variety of providers of services and products, including ringtones, games, chat services, mobile coupons and other customer promotions, and location-based services.

Participants will examine many topics, including: the use of mobile messaging services as instruments of M-commerce; consumers' ability to control mobile applications; the challenges presented by small screen disclosures; M-commerce practices targeting children and teens; industry best practices in preventing fraud; evolving security threats and solutions; and next-generation products and services.



FEDERAL TRADE COMMISSION

Thank You

Phyllis H. Marcus
Federal Trade Commission