Protecting Children Online: The Children's Online Privacy Protection Act (COPPA)

- **1. What does COPPA do?** COPPA was designed to limit data collection from children 12 and under. Before any personal information can be collected from a child, such as their name, email address, home address, or phone number, a parent must give verifiable consent. Children are the only group of "consumers" in the U.S. who have such protections, enabling a parent to "opt in" to any personal data collection. COPPA also requires kids' websites to provide information to parents about what information is collected from children. It also limits the amount of data a company can ask a child to provide.
- 2. Why was COPPA needed? Websites began collecting data from children in the early days of what was once called the "information superhighway." Online virtual "playgrounds" for children created by food, toy, and candy marketers—as well as by market research firms—asked kids to provide all kinds of information about themselves and even their parents. For example, on the "Batman Forever" site, young people were urged to "help Commissioner Gordon with the Gotham Census" by supplying personal information. The goal of all this data collection was to enable marketers to establish "one-to-one" relationship with individual children. There were no rules governing how advertisers should treat children online, unlike TV where modest safeguards have long been in place. COPPA was designed to protect young people from unfair and deceptive practices on the Internet. Because of longstanding research documenting children's developmental vulnerabilities to the persuasive techniques of advertisers, legislation was needed to prevent online companies from targeting individual children with personalized marketing messages. Otherwise product "spokescharacters" would be able to freely interact with kids online without parental oversight. Encouraging young children to post information about themselves without involving their parents also raised serious safety issues.
- **3. When was COPPA enacted?** Congress passed COPPA in 1998 through the leadership of a bipartisan group of lawmakers. The law's passage was supported by the Federal Trade Commission and a coalition of leading consumer, privacy, health, and child advocacy groups. The FTC issued rules implementing COPPA's provisions, which went into effect on April 21, 2000.
- **4. Why do marketers want to target children?** Marketers have paid close attention to how children—the so called "digital natives"—use the Internet, mobile phones, gaming platforms, and other online services. Children are a very lucrative market and spend or influence the spending of more than \$1.2 trillion a year, according to ad industry reports. Marketers also hope to foster lifelong customers by encouraging young people to favor and buy their brands and products. Advertisers are targeting children through what they call a "multi-screen" approach—using TV, PCs, and mobile devices.

- **5. What role do parents play under COPPA regarding their child's privacy?** The law empowers parents to make decisions about their child's privacy—instead of allowing media or advertising companies to determine what can be gathered and how. COPPA gives parents more control of their child's online experience—and sets limits on how their child's information can be collected and used by marketers.
- 6. Why do consumer, privacy, child advocacy, and public health groups want the FTC to close "loopholes" that marketers are exploiting to collect data from children? Online marketers are using the power of "Big Data" to closely track and target children, disingenuously claiming that their use of "cookies" and other profiling software doesn't fall under COPPA's personal information definition. Kids sites employ engaging and interactive videos, cartoons, and games to help elicit data from a child, and placing cookies on web browsers. Even if a website may not know a child's name, marketers use cookies and other "unique identifiers" to gather information in order to personally target a child. Kids advocacy groups have urged the FTC to issue new rules protecting children from these practices.
- **7. What is the Federal Trade Commission proposing to enhance the protection of children's online privacy?** After a two-year review, the FTC has proposed some rules to better protect a child's privacy in today's digital world. Among the most important safeguards are those that would enable parents to control whether marketers can use cookies to behaviorally track and target their child. Another proposed new COPPA rule would protect children's privacy when they use a mobile phone.
- **8.** How will the FTC's proposed COPPA policy protect children's privacy when they use a mobile phone? Increasingly, children use mobile devices that enable marketers to know their geo-location and Web browsing activities. Such information is highly sensitive and requires strong safeguards. Under the FTC's plan, mobile devices, including geo-location data, will be covered by COPPA.
- 9. What other new protections might my child have if COPPA's rules are updated? Marketers would also be requires to obtain parental permission first before their child's photo or other images identifying them could be collected. New safeguards for kids using social media would also be implemented. This will be especially important since Facebook is expected to soon open its service to children. Facebook and other social networks want to gather large amounts of data from children so they can be targeted with advertising.
- **10.** What can I do to help urge the FTC to expand COPPA's safeguards for children? Many leading commercial online marketers don't want to see COPPA bring greater safety to children and further empower a parent. They are lobbying to oppose these sensible new proposals. We need your help to convince the FTC to act soon so our kids are better protected when they go online. Please sign our petition: http://www.change.org/petitions/federal-trade-commission-let-parents-control-

who-can-collect-data-from-their-kids to the FTC and help send a message that it's time for them to act.

Additional COPPA Resources : http://business.ftc.gov/privacy-and-security/children's-privacy