June 23, 2005

VIA E-MAIL TO The Web Link at: https://secure.commentworks.com/ftccopparulereview/

Federal Trade Commission/Office of the Secretary Room H-159 (Annex C) 600 Pennsylvania Avenue, NW Washington, D.C. 20580

Re: COPPA Rule Review 2005, PO54505

To the Secretary:

We are Scholastic Inc., a global publishing and media company for teachers, parents and children. Our website, Scholastic.com, is an award-winning portal for school-based professionals, including teachers, administrators and librarians, and for families, including parents and kids. Featuring rich educational content, community and live events, productivity and communication tools and e-commerce, Scholastic.com helps teachers integrate technology into the classroom and supports the way today's students learn. It also provides a unique link between the home and the classroom to enable parents to supplement their child's education at home. We have had more than 1.6 billion hits to our site over the past five years since COPPA has been in effect. We respectfully submit the following comments regarding the COPPA Rule.

1) Actual Knowledge Standard For Restricting the Collection of Information From Children Under The Age of 13 and the Use of Back Button or Return to Entry Screen to Change Age

Scholastic.com is a general audience website, serving as a leading destination for teachers and students with educational content, and for kids with entertainment content. In areas of our site which are not directed at children, we have asked website visitors to enter their age in a box to verify that they are not under 13 years of age. If such visitor enters an age which is under 13, she is not able to go further in such area and cannot back button to re-enter

another age, but can return to the entry screen though the site and re-enter an age which is 13 or older to then gain access to such area. We have relied on this mechanism for several years and have not received any complaints from parents or teachers in connection therewith. We therefore, respectfully request that such mechanism to verify age, as well as the standard of "actual knowledge" remain, to enable us to continue to offer educational resources and services to our parent and teacher website visitors.

2) Use of Credit Card

For the past several years, we have also relied upon our visitors' use of credit cards in a transaction to obtain verifiable parental consent. For example, such use enables our website visitors to purchase educational reading materials from our online store. Although the Commission believes that companies are now marketing debit cards to children, we still believe as many commenters did when COPPA was first enacted, that "few, if any children under the age of 13 have access to credit cards." We believe that most of those companies are directing such marketing to teenagers, and not to children under the age of 13. We therefore, respectfully request that we can continue to rely upon the use of credit cards as a means to obtain verifiable parental consent to allow our customers to continue to make online purchases on our site, including the purchase of educational reading materials.

3) Use of Sliding Scale Mechanism To Obtain Verifiable Parental Consent

For the past five plus years since COPPA has been in effect, we have also relied upon the sliding scale mechanism to obtain verifiable parental consent for the online collection of personally identifiable information from our visitors under the age of 13. We have been very satisfied with using the "email plus" part of the sliding scale mechanism because it provides a relatively easy, yet still reliable way for parents to provide consent with minimal disruption to our visitors' participation in our online activities. During these past five plus years, we have not encountered any complaints from parents in connection therewith. At this point in time, we do not feel that there is affordable, readily used technology available to provide an alternative, viable mechanism to obtain verifiable parental consent. Consequently, we strongly support the amendment that permanently adds the sliding scale mechanism to COPPA, as set forth in 16 CFR Section 312.5 (b)(2).

We believe that the COPPA rules and in particular the above rules being examined, have incorporated an effective balance between protecting kids and allowing them access to important educational content. We have followed these rules and with over four million visitors to our site per year², we have had no complaints from parents or educators

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¹ Comments to the final COPPA rule, Section II (D) (2).

² Based on our visitor tracking over the past two years.

concerning the safety and protection of children. We therefore request that the current rules be maintained.

Respectfully submitted,

Alice L. Fradin Counsel, Scholastic Inc.