



UNITED STATES OF AMERICA  
FEDERAL TRADE COMMISSION  
WASHINGTON, D.C. 20580

Office of Commissioner  
Julie Brill

To: Don Clark  
From: Yael Weinman  
Date: November 8, 2012  
Re: COPPA Rule—Comments to be placed on the public record

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On November 8, 2012, representatives of the Association for Competitive Technology (ACT) met with Commissioner Brill's attorney advisor and other agency staff to discuss the supplemental proposed amendments to the FTC's COPPA Rule.<sup>1</sup>

ACT's representatives expressed concern about the Commission's proposal to make a company liable if it has "reason to know" it is collecting information through any child-directed web site or online service. ACT's representatives contended this change would cause app platforms to require all child-directed apps to comply with COPPA, forcing app developers to pay high compliance costs.

ACT's representatives also expressed concern about the Commission's proposal to create an exception for data collected for support for internal operations. The proposed exception lists several uses that are considered support for internal operations, and then forbids the use of data for "any other purpose." ACT's representatives were concerned that some beneficial uses of data were not captured by the proposed definition. They also expressed concern that third parties that provide support and analytics to apps would cease doing business with child-directed apps for fear of COPPA liability. This would result in less innovation and less quality content for children.

The representatives voiced concern that individual apps face difficulties in getting parents to give verifiable parental consent. The representatives suggested that working with device manufacturers could make it easier to obtain consent from parents. The representatives were of the view that device manufacturers are in a better position to obtain consent from parents for all apps, they have the resources to create new methods of obtaining consent, and the parental controls on a device have the capability to control whether children can use apps or particular device functions.

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<sup>1</sup> In attendance on behalf of ACT were Morgan Reed and Sara Kloek. In attendance from the FTC were Yael Weinman, Matt McDonald, and Aaron Keller.