

Analysis of Proposed Consent Order to Aid Public Comment
In the Matter of Miniclip S.A.
File No. 192 3129

The Federal Trade Commission (“Commission”) has accepted, subject to final approval, an agreement containing a consent order from Miniclip S.A. (“Respondent”).

The proposed consent order (“proposed order”) has been placed on the public record for thirty (30) days for receipt of comments from interested persons. Comments received during this period will become part of the public record. After thirty (30) days, the Commission will again review the agreement and the comments received, and will decide whether it should withdraw from the agreement and take appropriate action or make final the agreement’s proposed order.

Respondent develops, publishes, and distributes mobile and online digital games. As of August 2019, Respondent had approximately 100 applications (“apps”) available for download through Apple’s App Store and Google Play. Consumers can also play online games via Respondent’s website, *www.miniclip.com*, and through Facebook.

This matter concerns alleged false or misleading representations that Respondent made concerning its status in a Children’s Online Privacy Protection Act of 1998 (“COPPA”) safe harbor program. Congress enacted COPPA to protect the safety and privacy of children online by prohibiting the unauthorized or unnecessary collection of children’s personal information online by operators of Internet Web sites and online services. COPPA directed the Commission to promulgate a rule implementing COPPA. The Commission promulgated the COPPA Rule on November 3, 1999, and the COPPA Rule went into effect on April 21, 2000. The Commission promulgated revisions to the Rule that went into effect on July 1, 2013. COPPA includes a provision enabling industry groups or others to submit for Commission approval self-regulatory safe harbor programs that implement the protections of the Commission’s final Rule.

In 2001, the Commission approved the Children’s Advertising Review Unit (“CARU”) as a COPPA safe harbor program. In July 2009, Respondent joined CARU’s COPPA safe harbor program. Thereafter, Respondent began disseminating statements regarding its participation in CARU’s COPPA safe harbor program. Respondent remained a member of CARU’s COPPA Safe Harbor Program until July 6, 2015, when CARU terminated Respondent’s participation in the program. After CARU terminated Respondent from its safe harbor program, Respondent continued to make claims that it participated in the program.

The Commission’s proposed one-count complaint alleges that Respondent violated Section 5(a) of the Federal Trade Commission Act. Specifically, the proposed complaint alleges that Respondent engaged in a deceptive act or practice by falsely representing that it was a current participant in the CARU COPPA safe harbor program when it was not.

Part I of the proposed order prohibits Respondent from making misrepresentations about its membership in any privacy or security program sponsored by the government or any other self-regulatory or standard-setting organization, including, but not limited to, the CARU COPPA safe harbor.

Parts II through V of the proposed order are reporting and compliance provisions. Part II requires acknowledgement of the order and dissemination of the order now and in the future to persons with responsibilities relating to the subject matter of the order. Part III ensures notification to the FTC of changes in corporate status and mandates that the company submit an initial compliance report to the FTC. Part IV requires the company to create certain documents relating to its compliance with the order for ten (10) years and to retain those documents for a five-year period. Part V mandates that the company make available to the FTC information or subsequent compliance reports, as requested.

Part VI is a provision “sun-setting” the order after twenty (20) years, with certain exceptions.

The purpose of this analysis is to aid public comment on the proposed order. It is not intended to constitute an official interpretation of the complaint or proposed order, or to modify in any way the proposed order’s terms.