

## United States of America FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

Division of Privacy and Identity Protection

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## VIA FEDERAL EXPRESS AND EMAIL

BabyBus (Fujian) Network Technology Co., Ltd. Unit 9307B, 9308-9310, Floor 3, Bldg 9
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CHINA

Dear Sir or Madam:

This is to notify you that several of your mobile applications ("apps") appear to be in violation of the Children's Online Privacy Protection Act ("COPPA"), 15 U.S.C. § 6501 *et seq*. The Children's Online Privacy Protection Rule implements COPPA. The primary goal of COPPA is to place parents in control over what information is collected from their young children online. Companies covered by COPPA must include certain information in their privacy policies and obtain parental consent before collecting some types of information from children under 13.

COPPA and its related rules apply to foreign-based Web sites and online services that are involved in commerce in the United States. This would include, among others, foreign-based sites or services that are directed to children in the United States, or that knowingly collect personal information from children in the United States. The staff of the Federal Trade Commission, the federal agency that enforces COPPA, wants to help ensure you are aware of your compliance responsibilities under COPPA and to encourage you to review your apps, your policies, and your procedures for compliance.

Your company advertises itself on the Apple iTunes, Google Play, and Amazon Appstore for Android as a leader in early childhood educational software, and markets more than sixty free mobile apps to toddlers between the ages of one and three, and children between the ages of three and six. All of your apps use cartoon characters to teach children letters, counting, shapes, music, and matching. Your apps, offered to users in nine languages, have been downloaded millions of times.

<sup>&</sup>lt;sup>1</sup> See 15 U.S.C. § 6501(2).

Several of your apps appear to collect precise geolocation information that is transmitted to third parties, including advertising networks and/or analytics companies. Under COPPA and its implementing Rule, 16 C.F.R. § 312 *et seq.* (posted at <a href="http://www.ftc.gov/enforcement/rules/rulemaking-regulatory-reform-proceedings/childrens-online-privacy-protection-rule">http://www.ftc.gov/enforcement/rules/rulemaking-regulatory-reform-proceedings/childrens-online-privacy-protection-rule</a>), developers of apps that are directed to children under 13 – or that knowingly collect personal information from children under 13 – are required to post accurate privacy policies, provide notice, and obtain verifiable parental consent *before* collecting, using, or disclosing any "personal information" collected from children.

As described above, because your apps appear to be directed to children, you are subject to COPPA and its implementing Rule. And because you are collecting precise geolocation information, which is considered "personal information" under the Rule, 2 you must provide notice and obtain verifiable parental consent before collecting, using, or disclosing this information. Your failure to do so appears to violate COPPA and its implementing Rule.

Accordingly, we recommend that you review all of your applications with respect to the online collection of personal information from children in light of COPPA's legal requirements. To learn more about the law's requirements, please refer to the FTC's compliance guide for website operators, located at <a href="http://business.ftc.gov/documents/bus84-childrens-online-privacy-protection-rule-six-step-compliance-plan-your-business">http://business.ftc.gov/documents/bus84-childrens-online-privacy-protection-rule-six-step-compliance-plan-your-business</a>. Other useful resources may be found at <a href="http://business.ftc.gov/privacy-and-security/children%27s-privacy">http://business.ftc.gov/privacy-and-security/children%27s-privacy</a>.

Commission staff will be reviewing your mobile apps again in the next month. We hope that you will take the necessary steps to ensure that your company does not collect personal information from children other than in accordance with COPPA. Please feel free to contact my colleague Jamie Hine in the interim if you have any questions. He can be reached at +1 202-326-2188 or jhine@ftc.gov.

Sincerely,

Maneesha Mithal Associate Director

Division of Privacy and Identity Protection

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cc: Apple iTunes, Google Play Store, Amazon Appstore for Android

<sup>&</sup>lt;sup>2</sup> See 16 C.F.R. Part 312.2.