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CARU Takes Action Against Two Mobile Apps

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Two mobile apps directed at children were recently subject to action by the Children’s Advertising Review Unit. The [first](#), “My Talking Tom,” is a virtual pet game for children operated by Outfit7 Limited. One issue was the display of Outfit7’s privacy policy. Under the Children’s Online Privacy Protection Act, privacy policies must be understandable, and contain no unrelated material. The app’s policy, however, contained advertisements for other games, and animated balloons that obstructed the user’s view. Accordingly, CARU found that the distracting content violated COPPA. Outfit7 prudently removed the content, and CARU took no further action on the issue.

The [second](#), “KleptoCats,” operated by HyperBeard, Inc., is a children’s game in which the user controls a virtual pet cat.

Although the app’s privacy statement excludes children under 13, CARU questioned whether the app nonetheless attracts a substantial number of children under 13, and thus is subject to COPPA regulations. CARU investigated whether KleptoCats collects personally identifiable information from users under 13, without first obtaining parental consent. CARU attempted to engage HyperBeard in its investigation, but the game operator failed to respond. Accordingly, CARU referred the case to the FTC for a full federal investigation.

Putting it Into Practice: These cases are a reminder that companies receiving a CARU inquiry should take the matter seriously. CARU regularly refers to the FTC those who refuse to cooperate, and the FTC reviews such cases with priority.

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