

DataGuidance Quotes Partner Dana B. Rosenfeld on Amazon FTC Case

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Partner Dana B. Rosenfeld was quoted in the *DataGuidance* article "USA: FTC v Amazon - 'app developers pay attention' to disclosure and consent." The article discusses the Federal Trade Commission's recently filed complaint against Amazon.com Inc. for failing to obtain the consent of parents for in-app purchases made by children. The FTC noted that Amazon did not properly implement procedures and disclosures, including password requirements, for obtaining and informing parents as to the effect of that consent when providing financial information.

Ms. Rosenfeld explained that "The collection of registration and payment information occurred when the parent initially set up an account in the Amazon Appstore. Parents would then allow a child to play a game, which might involve the purchase of game tokens and other virtual items. Amazon did not obtain the parent's permission for such charges through the use of a consent mechanism or password. Companies may not fully appreciate the special legal obligations that arise when marketing products and services that appeal to children." She also added, "The best way for app developers and online marketplaces to avoid regulatory scrutiny and follow on class action litigation is to pay attention to these complaints and take steps to address significant issues as they arise."