

FTC Continues Safe Harbor Privacy Enforcement

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February 12, 2014

The FTC announced this week that it has reached a settlement with Fantage.com, which operates a multiplayer online role-playing game directed at children ages 6 to 16 years old. The FTC alleges that from June 2012 through January 2014, Fantage.com's representation on its online privacy policy that it was U.S.-EU Safe Harbor-compliant was false and misleading in violation of § 5 of the FTC Act because, although Fantage.com self-certified compliance with the Safe Harbor in June 2011, it failed to renew its certification in June 2012 and also allegedly failed to update its website to remove statements regarding Safe Harbor certification until January 2014.

This action follows announcement of a Safe Harbor enforcement sweep in late January, which we covered [here](#). Fantage.com is unique amongst the Safe Harbor settlements announced this year insofar as it is the only company that markets a product directed at children. Consistent with the prior enforcement actions, however, there is no allegation that Fantage.com failed to adhere to the Safe Harbor principles or that consumer data was compromised.

Once again, these enforcement actions serve as cautionary tales to companies to ensure that all advertised certifications are current and that privacy policies accurately reflect corporate practices.