

## FTC Continues to Scrutinize Children's Mobile Apps and Concludes Privacy Disclosures Are Insufficient

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On December 10, the FTC issued the staff report, "Mobile Apps for Kids: Disclosures Still Not Making the Grade." The report describes the results of a recent survey by FTC staff that examined the privacy disclosures and practices associated with 400 mobile apps targeted to children. The report follows up on a similar FTC staff report issued in February 2012, which noted that, based on an initial survey of child-focused apps, very few mobile app developers or app stores provide privacy policies, disclosures, or other information that enable parents to determine what data is collected from their children and how that information is used or shared with third parties.

According to the Commission, the latest staff survey reveals that "little or no progress has been made" by the mobile app industry on increasing transparency in the mobile marketplace during the past year. In response, the Commission is urging app developers and app store operators to implement privacy best practices, such as those outlined in the FTC's March 2012 privacy report. In addition, the report notes that FTC staff has launched multiple non-public investigations to determine whether certain entities in the mobile app ecosystem are violating the Children's Online Privacy Protection Act ("COPPA") or engaging in unfair or deceptive practices in violation of Section 5 of the FTC Act.

This Kelley Drye client advisory summarizes key results from the survey and provides recommendations for stakeholders in the mobile app ecosystem in light of the report.