

FTC Publishes Guide for Mobile App Developers

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Yesterday, the FTC published a guide designed to help mobile app developers comply with advertising and privacy laws when marketing mobile apps. The guide doesn't include new requirements — instead, it synthesizes many of the things the FTC has said about mobile apps in previous settlements, workshops, and policy documents. The guide focuses on two key areas: (1) advertising; and (2) privacy.

Companies are required to ensure their ads are truthful and substantiated. Although some marketers equate the word "ad" with a multi-million dollar TV campaign, the FTC clarifies that an ad can be pretty much anything a company says about what a product can do. Marketers need to ensure they can support these claims. The FTC also discusses the importance of making disclosures in a "clear and conspicuous" manner.

Marketers should think about privacy in the early stages of developing an app. Among other things, the FTC encourages marketers to only collect the information they need, to be transparent about data collection practices, to get consent before collecting sensitive information, and to keep user data secure. In addition, the FTC reminds marketers that they may be subject to the Children's Online Privacy Protection Act if they collect personal information from children under 13.

The FTC's guide addresses many of the issues that have gotten app developers in trouble over recent years. Therefore, it provides valuable insights for companies about what they need to do in order to stay out of trouble. Although it may cost more to run an app through a legal review prior to launch, it costs a lot less than having to deal with an FTC investigation later.

For a more detailed analysis of the FTC's guide, click here. And for more tips on developing a mobile app, click here, here, and here.