



April 15, 2013

The Honorable Edith Ramirez  
Chairwoman  
U.S. Federal Trade Commission  
600 Pennsylvania Ave., NW  
Washington, DC 20580

**RE: Request for Delay of Implementation Date of Revised COPPA Rules**

Dear Chairwoman Ramirez,

On behalf of our more than 20,000 individual developer members and more than 100 corporate members, the Application Developers Alliance (“Alliance”) requests that the Federal Trade Commission (FTC) delay the effective date of the recently revised rules implementing the Children’s Online Privacy Protection Act (hereinafter the “rules”).<sup>1</sup> The Alliance is a non-profit professional and industry organization dedicated to advancing the interests of app developers and publishers, and promoting the growth of the app economy generally. Our mission is to support the conditions in which the app economy grows and brings consumers the diverse, innovative products that they want.

After consultation with members that produce apps for parents, teachers and young people, we ask the FTC to delay the effective date of the new rules until no earlier than January 1, 2014. This delay will allow developers, publishers, and their partners more time to understand the rules’ effect and to implement (and quality-check) the changes necessary to comply. Moreover, this time will allow the FTC more time to widely disseminate guidance materials that facilitate and promote compliance.

The effective date of the rules should be delayed because:

1. The changes create significant new obligations for app developers and their partners that are still not well understood. The FTC has not issued guidance for developers or their partners, so with the effective date approaching quickly many small businesses must decide whether to use their own best judgment or hire law firms for assessments that they really cannot afford. Furthermore, even if the guidance were issued today, there would be insufficient lead time for companies to make the technical and product changes necessary to comply by July 1.
2. The evolving app developer industry coupled with the complex, intertwined

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<sup>1</sup> See, Final Rule Amendments – Consistent with the Children’s Online Privacy Protection Act to Clarify the Scope of the Rule and Strengthen the Protections for Children’s Personal Information, 78 Fed. Reg. 3972, *et seq.* (2012).

relationships between and among developers, publishers, platforms, marketers, advertising networks, data analysts, storage and infrastructure providers creates extraordinary compliance challenges that simply require more time to resolve. App developers' partnerships span the globe. Legal compliance is mandatory, but navigating among the complex web of partnerships and local regulations takes time.

3. The rule changes are so significant and the penalties so severe that, absent delay, many developers and publishers will simply stop publishing, placing their entire business at risk. Some developers and publishers will stop monetizing voluntarily, and many others will stop monetizing because their partners are focusing on satisfying large-publisher partners before working with smaller publishers. Business relationships that are not severed by the new rules likely must be modified, and that process needs more time and more substantive clarity before it can begin. The corresponding impact on the end-user side will be a contraction in the substantive content available to kids across a wide spectrum of subject matter.
4. The rule changes require extensive modification of many apps user experience and user interface. These redesigns require time and money and app developers are justifiably concerned about investing those resources absent certainty about their changed responsibilities. New designs require planning, coding and testing, and that requires more time than is allowed by the current effective date.
5. The rule changes likely require extensive re-engineering of apps' and their partners' data collection, transmission, analysis and storage procedures. Perhaps the greatest challenge imposed by the new rules is the required re-engineering of the data-handling and data-segregation procedures, which will be particularly difficult for small, resource-constrained app developers and publishers.

Undoubtedly some of the larger app publishers and partner companies are preparing for the implementation deadline and will expend extraordinary resources to engineer rapid-fire solutions that they hope will work. An informal survey of Alliance members, however, suggests that though they are currently COPPA-compliant, many are ill-prepared for the rapidly-approaching implementation deadline as they are still trying to understand their changed responsibilities – and only then can they focus on designing, re-engineering and testing compliance solutions.

For all of these reasons we respectfully request the rule's implementation be delayed until no earlier than January 1, 2014.

Sincerely,



Jon Potter  
President