



UNITED STATES OF AMERICA  
FEDERAL TRADE COMMISSION  
WASHINGTON, D.C. 20580

Bureau of Consumer Protection  
Division of Advertising Practices

December 8, 2008

**VIA FEDERAL EXPRESS**

Fred M. Waid  
Lead Developer  
Virtual Family Kingdom  
500 North Solano Drive  
Las Cruces, NM 88001

Jenny Marsh  
Virtual Management Consulting PTY LTD  
109 Hanckel Road  
Oakville, NSW 2765 Australia

*Re: Virtual Family Kingdom, FTC File No. 092-3024*

Dear Mr. Waid and Ms. Marsh:

As you are aware, upon referral from the Children's Advertising Review Unit of the Council of Better Business Bureaus, the staff of the United States Federal Trade Commission has conducted an investigation into whether, in operating the website [www.virtualfamilykingdom.com](http://www.virtualfamilykingdom.com), you have violated provisions of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45(a), and the FTC's Children's Online Privacy Protection Rule (COPPA Rule), 16 C.F.R. § 312. In pertinent part, the COPPA Rule requires operators of websites directed to children under 13 years of age, or that have actual knowledge that they are collecting personal information online from such children, to provide notice of their information practices to parents and to obtain verifiable parental consent prior to collecting, using, or disclosing personal information from children under 13.

Upon review of the matter, we have determined not to recommend enforcement action at this time. Among the factors we considered are that you limit the personally identifiable information you collect online from children solely to that which is necessary to notify parents and obtain their consent. To the extent that a parent fails to consent to her child's participation within 48 hours after you send your parental notification email, your policy is to delete the personal information the child provided. In addition, as a result of our investigation, you have revised your posted privacy policy and your notice to parents to ensure that these materials accurately reflect your sites' information collection practices and that they inform parents of their rights under COPPA.

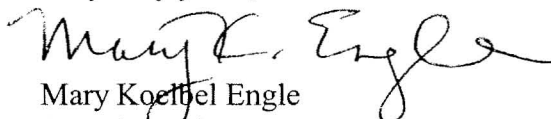
This action is not to be construed as a determination that a violation may not have occurred, just as the pendency of an investigation should not be construed as a determination that

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a violation has occurred. The Commission reserves the right to take such further action as the public interest may require.

Very truly yours,

A handwritten signature in black ink, appearing to read "Mary Koebel Engle". The signature is fluid and cursive, with the first name "Mary" and last name "Engle" being the most prominent parts.

Mary Koebel Engle  
Associate Director