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December 23, 2011

Phyllis Marcus Mamie Kresses Bureau of Consumer Protection Federal Trade Commission Office of the Secretary Room H-113 (Annex E) 600 Pennsylvania Avenue, N.W. Washington, DC 20580

Re: COPPA Rule Review, 16 CFR Part 312, Project No. P-104503

Dear Ms. Marcus and Ms. Kresses,

Thank you for the opportunity to comment regarding the proposed updates to the Children's Online Privacy Protection Act (COPPA) rules. As you may know, our company, Go Daddy Operating Company, LLC ("Go Daddy"), consists of eight ICANN-accredited domain name registrars, including GoDaddy.com, LLC, the world's largest registrar. We are also one of the world's top website hosting providers, and provide numerous products and services which allow our customers to establish and maintain an online presence.

Our customers' privacy and security is of the utmost importance to us, and we and our affiliated companies offer an array of products, including SSL certificates, domain name registrant privacy services, and website protection site scanners, which allow our customers to maintain the privacy and security of their personal information while communicating and doing business online. Moreover, since our company's inception we have fought passionately to protect the rights of children online, including successfully advocating for the passage of the Protect Our Children Act of 2008, which expanded the arsenal of tools available to fight the exploitation of children over the Internet, and the Ryan Haight Online Pharmacy Consumer Protection Act, which provided online companies with much needed tools to take illegitimate Internet pharmacies offline. We therefore appreciate the Commission's continuing efforts to determine the best methods for protecting children's privacy, while still allowing them to take advantage of the many educational, communication, and recreational opportunities afforded by their use of the Internet.

Go Daddy and its affiliates do not transact business with or market our services to children. However, we currently have over eight million active customers, many of which do offer services or operate websites directed to children. Online advertising supports the multitude of free online services

available to Internet users, including children. As such, we believe it is important to have a fair, consistent, and current set of rules that enable companies to communicate with and direct reasonable advertising and marketing efforts to children on the Internet, so long as appropriate disclosures are made and parental consent is obtained. We have therefore reviewed the proposed COPPA rules updates with interest, and have the following comments:

<u>First</u>, we support the proposed definition updates that reflect new technological developments such as social networking sites and mobile devices. We agree that COPPA's application must be expanded to technologies such as mobile communications, interactive television and gaming, and similar interactive media. We also agree that the existing provisions should be clarified to address opaque disclosure practices by some social networking sites, the locational tracking of mobile devices, and other communication and data collection practices that have surfaced since the rules were last reviewed. In particular, we note that the current definition of "collects or collection" does not adequately address children's personal information that is acquired offline but then uploaded, stored or distributed to third-parties, such as application developers. The current definition also does not apply to the use of RFID technology that makes it possible to track and record the location of children. We request that the proposed rules be updated to specifically address these advances.

Second, COPPA provides an important baseline for privacy protection, but the updated rules need to provide clear privacy policy compliance guidelines for website operators and advertisers directing their marketing efforts to children. Establishing clear minimum standards for privacy notices that require operators and advertisers to explain their information practices in language that children and parents can easily understand will allow the Commission to more effectively enforce compliance with its requirements. Such guidelines will also make it easier for parents to compare notices and determine which sites and services are appropriate for their children.

Third, we disagree with the proposed rule update that would make IP address and cookie identifiers—which are presently considered unregulated, anonymous data—"individually identifying" pieces of data subject to the new rules. These identifiers are fundamental to online advertising practices, and we are unaware (and the Commission appears to be unaware) of any online operator directing advertising to children solely via these proposed new identifiers. We believe that IP addresses or cookies, without more, are not personally identifiable information. The collection of this data, taken alone, should not make online operators subject to COPPA's disclosure and parental consent requirements.

<u>Finally</u>, and most importantly, we are extremely concerned that the proposed rules seek to hold businesses responsible when they "enable" a child to make his or her personal information publicly available online – for example, when a child establishes a personal website or a page on a social networking site. The proposed rules should specifically provide that the critical protections of the Communications Decency Act (CDA) will still apply in the context of the new rules. The CDA has long protected online businesses from liability when they simply create a public platform for others to post their own content. Online companies, such as web hosting providers, that merely provide the infrastructure for third-parties to post their own content, should not be held responsible for proactively monitoring the content that is posted, much less proactively monitoring the age of the posting party. The Internet has flourished under the intermediary liability protections offered by the CDA, and it would be a grave error for an updated version of the COPPA rules to make online intermediaries

liable for their users' third-party content, or to put the onus on intermediaries to proactively determine the age of the users of their services.

Thank you again for taking these comments into consideration as you formulate the final updated version of the COPPA rules. Should you wish to discuss Go Daddy's position on any of these issues further, please do not hesitate to contact me at the email or telephone number set forth above.

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Very Truly Yours,
GO DADDY OPERATING COMPANY, LLC

Kimberly J. Cilke Deputy General Counsel