

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

To: Don Clark, Secretary From: Alyssa O'Connor Date: December 18, 2012

Re: COPPA Rule: Comments to be Placed on the Public Record

On November 19, 2012, Commissioner Edith Ramirez and members of her staff met with representatives from Facebook to discuss the proposed modifications to the FTC's COPPA Rule.¹

Ms. Egan first offered an overview of how Facebook's third-party plug-ins, such as the "Like" button, operate. According to Ms. Egan, the Facebook plug-in code is available to any operator of a website or online service and Facebook does not know if the operator is directed to children. Ms. Egan noted that children under thirteen are not permitted to create a Facebook account and therefore cannot access Facebook plug-ins. Ms. Egan also stated that although Facebook plug-ins collect various types of data for operational purposes—such as IP address, URL, time, and date—Facebook only keeps the information for a limited period of time.

Based on this description, Ms. Egan explained that, in Facebook's view, the "on behalf of" language in the proposed definition of "operator" and the "reason to know" standard are problematic. As an alternative, Ms. Egan stressed that it should be the responsibility of plug-ins to clearly disclose their data practices and it should be the obligation of operators of children's properties to understand the data practices of any plug-ins they incorporate into their sites or services. Ms. Egan also suggested that the Commission publish a list of child-directed sites or services. Using the agency's list, Facebook could remove data that its plug-ins collect from such sites or services after thirty days.

The Facebook representatives then explained their concerns with the proposed definitions of "personal information" and "support for internal operations." Mr. Sherman stated the view that IP addresses are not useful for persistent, long-term tracking, and Ms. Egan offered suggested changes to the rule. First, she advocated that the Commission remove IP addresses from the definition of "personal information" and focus on cookies, which she believes are of more significance and greater concern to the Commission. Second, she advocated that the Commission reference website development in the definition of "support for internal operations" and that the definition include more specific language to cover analytics and contextual advertising.

¹ In attendance on behalf of Facebook were Erin Egan, Chief Privacy Officer, Policy; and Rob Sherman, Manager of Privacy and Public Policy. In addition to Commissioner Edith Ramirez, Janis Kestenbaum, Attorney Advisor to Commissioner Ramirez, and Alyssa O'Connor, Honors Paralegal, participated on behalf of the FTC.

Finally, Ms. Egan discussed Facebook's collaboration with the Future of Privacy Forum to create a common parental consent mechanism. Facebook explained that the proposed system would involve one platform securing parental consent, and apps accessed through the platform could then lawfully rely on the initial consent. Ms. Egan ended by noting that Facebook is trying to be innovative but would like more flexibility with regard to COPPA's requirements.