

BRETT A. SHUMATE, Assistant Attorney General, Civil Division  
JORDAN C. CAMPBELL, Deputy Assistant Attorney General  
SARMAD M. KHOJASTEH, Senior Counsel  
LISA K. HSIAO, Acting Director, Consumer Protection Branch  
ZACHARY A. DIETERT, Assistant Director  
ZACHARY L. COWAN, Trial Attorney (NCBN 53432)  
FRANCISCO L. UNGER, Trial Attorney (MABN 698807)

U.S. Department of Justice  
450 5th Street NW, Suite 6400-S  
Washington, DC 20530  
(202) 598-7566 (Cowan)  
Zachary.L.Cowan@usdoj.gov

*Attorneys for Plaintiff United States of America*

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
WESTERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

DISNEY WORLDWIDE SERVICES,  
INC., a corporation; and

DISNEY ENTERTAINMENT  
OPERATIONS LLC, a limited liability  
company,

Defendants.

**Case No. 2:25-cv-08223**

STIPULATION OF PARTIES  
FOR ENTRY OF ORDER FOR  
PERMANENT INJUNCTION,  
CIVIL PENALTY JUDGMENT,  
AND OTHER RELIEF

1 Plaintiff the United States of America, acting upon notification from the  
2 Federal Trade Commission (“FTC”), filed its Complaint For Permanent  
3 Injunction, Civil Penalty Judgment, And Other Relief, against Defendants  
4 Disney Worldwide Services, Inc. and Disney Entertainment Operations LLC  
5 (collectively, “Disney”) for alleged violations of the Children’s Online Privacy  
6 Protection Act of 1998 (“COPPA”) and the FTC’s Children’s Online Privacy  
7 Protection Rule (“COPPA Rule”). The parties have resolved all issues in this  
8 matter through the Proposed Stipulated Order, which is Attachment A to this  
9 Motion.

10 “Because of the unique aspects of settlements, a district court should enter  
11 a proposed consent judgment if the court decides that it is fair, reasonable and  
12 equitable and does not violate the law or public policy.” *Sierra Club, Inc. v.*  
13 *Elec. Controls Design, Inc.*, 909 F.2d 1350, 1355 (9th Cir. 1990) (citing *Citizens*  
14 *for a Better Environment v. Gorsuch*, 718 F.2d 1117, 1125-26 (D.C. Cir. 1983));  
15 *see SEC v. Randolph*, 736 F.2d 525, 529 (9th Cir. 1984). In approving a  
16 settlement, a court “need not inquire into the precise legal rights of the parties  
17 nor reach and resolve the merits of the claims or controversy.” *Gorsuch*, 718  
18 F.2d at 1126 (quoting *Metro. Hous. Dev. Corp. v. Vill. Of Arlington Heights*,  
19 616 F.2d 1006, 1014 (7th Cir. 1980)). Rather, “[a]s long as the consent decree  
20 comes within the general scope of the case made by the pleadings, furthers the  
21 objectives upon which the law is based, and does not violate the statute upon  
22 which the complaint was based, the parties’ agreement may be entered by the  
23 court.” *Sierra Club*, 909 F.2d at 1355 (quoting *Loc. No. 93, Int’l Ass’n of*  
24 *Firefighters, AFL-CIO C.L.C. v. City of Cleveland*, 478 U.S. 501, 525-26 (1986)  
25 (quoting *Pacific R. Co. v. Ketchum*, 101 U.S. 289, 297 (1880))) (alterations and  
26 internal quotation marks omitted).

1 The Stipulated Order is fair, reasonable, and equitable. It addresses the  
2 concerns giving rise to the Complaint. It also ensures that Disney will provide  
3 parents appropriate notice and obtain verified parental consent, when required  
4 by the COPPA Rule, before children's information is collected. Among other  
5 things, the Proposed Stipulated Order requires Disney to implement an audience  
6 designation program to ensure its videos are properly directed as "made for  
7 kids" where appropriate. It also provides immediate relief to American  
8 consumers.

9 To resolve this matter and afford parents and children these protections as  
10 soon as possible, the parties respectfully request that the Court effectuate this  
11 resolution and enter the Proposed Stipulated Order.

1  
2 Dated: September 2, 2025

3 **FOR THE**  
4 **FEDERAL TRADE**  
5 **COMMISSION**

6 BENJAMIN WISEMAN  
7 Associate Director, Division of  
8 Privacy & Identity Protection

9 MARK EICHORN  
10 Assistant Director

11 JACQUELINE FORD  
12 GENEVIEVE BONAN  
13 Attorneys  
14 Federal Trade Commission  
15 600 Pennsylvania Ave., N.W.  
16 Washington, D.C. 20580  
17 (202) 326-2844 (Ford)  
18 (202) 326-3139 (Bonan)  
19 jford1@ftc.gov  
20 gbonan@ftc.gov

Respectfully submitted,

**FOR PLAINTIFF:**  
**THE UNITED STATES OF**  
**AMERICA**

BRETT A. SHUMATE  
Assistant Attorney General,  
Civil Division

JORDAN C. CAMPBELL  
Deputy Assistant Attorney General

SARMAD M. KHOJASTEH  
Senior Counsel

LISA K. HSIAO  
Acting Director,  
Consumer Protection Branch

ZACHARY A. DIETERT  
Assistant Director

/s/ Zachary L. Cowan  
ZACHARY L. COWAN  
FRANCISCO L. UNGER  
Trial Attorneys  
Consumer Protection Branch  
U.S. Department of Justice  
450 5th St., N.W. Ste. 6400-S  
Washington, D.C. 20530  
(202) 598-7566 (Cowan)  
Zachary.L.Cowan@usdoj.gov  
Francisco.L.Unger@usdoj.gov

*Counsel for Plaintiff the United  
States of America*

**FOR DEFENDANTS:**

/s/ Rebecca B. Durrant

REBECCA B. DURRANT

Kelley Drye & Warren LLP

350 South Grand Avenue

Suite 3800

Los Angeles, CA 90071

rdurrant@kelleydrye.com

ALYSA Z. HUTNIK

LAURA RIPOSO VANDRUFF

ALEXANDER I. SCHNEIDER

Kelley Drye & Warren LLP

Washington Harbour, Suite 400

3050 K Street NW

Washington, DC 20007

ahutnik@kelleydrye.com

lvandruff@kelleydrye.com

aschneider@kelleydrye.com

*Counsel for Defendants Disney*

*Worldwide Services, Inc. and Disney*

*Entertainment Operations LLC*

**FILER ATTESTATION**

Pursuant to Local Civil Rule 5-4.3.4(a)(2)(i), I hereby attest that all other signatories listed, and on whose behalf the filing is submitted, concur in the filing's content and have authorized the filing.

/s/ Zachary L. Cowan

1  
2  
3  
4  
5  
6  
7  
8 UNITED STATES DISTRICT COURT  
9 CENTRAL DISTRICT OF CALIFORNIA  
10 WESTERN DIVISION  
11

12 UNITED STATES OF AMERICA,

13 Plaintiff,

14 v.

15 DISNEY WORLDWIDE SERVICES,  
16 INC., a corporation; and

17 DISNEY ENTERTAINMENT  
18 OPERATIONS LLC, a limited  
19 liability company,

20 Defendants.  
21

**Case No: 2:25-cv-08223**

[Proposed] ORDER FOR  
PERMANENT INJUNCTION,  
CIVIL PENALTY JUDGMENT,  
AND OTHER RELIEF

22 Plaintiff, the United States of America, acting upon notification by the  
23 Federal Trade Commission ("Commission"), filed its Complaint for Permanent



1 Injunction, Civil Penalty Judgment, and Other Relief (“Complaint”), for a  
2 permanent injunction, civil penalties, and other relief in this matter, pursuant to  
3 Sections 5(m)(1)(A) and 13(b) of the Federal Trade Commission Act (“FTC Act”),  
4 15 U.S.C. §§ 45(m)(1)(A) and 53(b), Sections 1303(c) and 1306(d) of the  
5 Children’s Online Privacy Protection Act (“COPPA”), 15 U.S.C. §§ 6502(c) and  
6 6505(d), and the Commission’s Children’s Online Privacy Protection Rule  
7 (“COPPA Rule”), 16 C.F.R. Part 312 (attached as Appendix A). Defendants have  
8 waived service of the summons and the Complaint. Plaintiff and Defendants  
9 stipulate to the entry of this Stipulated Order for Permanent Injunction, Civil  
10 Penalty Judgment, and Other Relief (“Order”) to resolve all matters in dispute in  
11 this action between them.  
12

13  
14 THEREFORE, IT IS ORDERED as follows:

15 **FINDINGS**

- 16 1. This Court has jurisdiction over this matter.
- 17 2. The Complaint charges that Defendants violated the COPPA Rule  
18 and Section 5 of the FTC Act, 15 U.S.C. § 45, by failing to provide complete  
19 direct notice to Parents, failing to provide complete online notice of its  
20 information practices with regard to Children, and failing to Obtain Verifiable  
21 Parental Consent prior to Collecting, using, or Disclosing Personal Information  
22 from Children.  
23





1 C. “**Covered Entity**” means Defendants’ subsidiary or division that (1)  
2 Publishes Videos to a Covered Service or (2) oversees or manages the  
3 Audience Designation Program.

4 D. “**Covered Service(s)**” means (1) the YouTube Platform or (2) any successor  
5 to the YouTube Platform.

6  
7 E. “**Defendant**” or “**Disney**” means Disney Worldwide Services, Inc., a  
8 corporation, and Disney Entertainment Operations LLC, a limited liability  
9 company, and their subsidiaries and divisions, and their successors and  
10 assigns, individually, collectively, or in any combination.

11 F. “**Disclose**” or “**Disclosure**” means, with respect to Personal Information:

- 12  
13 1. The Release of Personal Information Collected by an Operator from a  
14 Child in identifiable form for any purpose, except where an Operator  
15 provides such information to a Person who provides Support for the  
16 Internal Operations of the Website or Online Service; and  
17  
18 2. Making Personal Information Collected by an Operator from a Child  
19 publicly available in identifiable form by any means, including but not  
20 limited to a public posting through the Internet, or through a personal  
21 home page or screen posted on a website or online service; a pen pal  
22 service; an electronic mail service; a message board; or a chat room.  
23

- 1 G. “**Internet**” means collectively the myriad of computer and  
2 telecommunications facilities, including equipment and operating software,  
3 which comprise the interconnected world-wide network of networks that  
4 employ the Transmission Control Protocol/Internet Protocol, or any  
5 predecessor or successor protocols to such protocol, to communicate  
6 information of all kinds by wire, radio, or other methods of transmission.  
7
- 8 H. “**Kids Video**” means a Video that Defendants designate as Made for Kids on  
9 a Covered Service pursuant to the Audience Designation Program based on  
10 an assessment of its subject matter, visual content, use of animated  
11 characters or Child-oriented activities and incentives, music or other audio  
12 content, age of models, presence of Child celebrities or celebrities who  
13 appeal to Children, language or other characteristics, whether advertising  
14 promoting or appearing on the website or online service is directed to  
15 Children, competent and reliable empirical evidence regarding audience  
16 composition and evidence regarding the intended audience.  
17
- 18 I. “**Made for Kids**” means the YouTube Platform setting to designate the  
19 audience for a Video Published by an Operator as for Children or the  
20 audience for a channel on which Video(s) are Published as for Children.  
21  
22  
23



1 J. **“Obtain(ing) Verifiable Parental Consent”** means making a reasonable  
2 effort (taking into consideration available technology) to ensure that before  
3 Personal Information is Collected from a Child, a Parent of the Child:

- 4 1. Receives notice of the Operator’s Personal Information Collection,  
5 use, and Disclosure practices; and
- 6 2. Authorizes any Collection, use, and/or Disclosure of the Personal  
7 Information, using a method reasonably calculated, in light of  
8 available technology, to ensure that the Person providing consent is  
9 the Child’s Parent.  
10

11 K. **“Online Contact Information”** means an email address or any other  
12 substantially similar identifier that permits direct contact with a Person  
13 online, including but not limited to, an instant messaging user identifier, a  
14 voice over internet protocol (VOIP) identifier, or a video chat user identifier.  
15

16 L. **“Operator”** means any Person who operates a website located on the  
17 Internet or an online service and who Collects or maintains Personal  
18 Information from or about the users of or visitors to such website or online  
19 service, or on whose behalf such information is Collected or maintained, or  
20 offers products or services for sale through that website or online service,  
21 where such website or online service is operated for commercial purposes  
22 involving commerce among the several States or with one or more foreign  
23

1 nations; in any territory of the United States or in the District of Columbia,  
 2 or between any such territory and another such territory or any State or  
 3 foreign nation; or between the District of Columbia and any State, territory,  
 4 or foreign nation. This definition does not include any nonprofit entity that  
 5 would otherwise be exempt from coverage under Section 5 of the Federal  
 6 Trade Commission Act (15 U.S.C. § 45). Personal Information is Collected  
 7 or maintained on behalf of an Operator when:  
 8

- 9 1. It is Collected or maintained by an agent or service provider of the  
 10 Operator; or  
 11
- 12 2. The Operator benefits by allowing another Person to Collect Personal  
 13 Information directly from users of such website or online service.

14 M. “**Parent**” includes a legal guardian.

15 N. “**Person**” means any individual, partnership, corporation, trust, estate,  
 16 cooperative, association, or other entity.

17 O. “**Personal Information**” means individually identifiable information about  
 18 an individual Collected online, including:  
 19

- 20 1. A first and last name;
- 21 2. A home or other physical address including street name and name of a  
 22 city or town;
- 23 3. Online Contact Information;

- 1           4.     A screen or user name where it functions in the same manner as
- 2                 Online Contact Information;
- 3           5.     A telephone number;
- 4           6.     A Social Security number;
- 5           7.     A persistent identifier that can be used to recognize a user over time
- 6                 and across different websites or online services. Such persistent
- 7                 identifier includes, but is not limited to, a customer number held in a
- 8                 cookie, an Internet Protocol (IP) address, a processor or device serial
- 9                 number, or unique device identifier;
- 10           8.     A photograph, video, or audio file where such file contains a Child's
- 11                 image or voice;
- 12           9.     Geolocation information sufficient to identify street name and name
- 13                 of a city or town; or
- 14           10.    Information concerning the Child or the Parents of that Child that the
- 15                 Operator Collects online from the Child and combines with an
- 16                 identifier described in this definition.
- 17
- 18
- 19

20   P.     **"Publish"** means to set a video's visibility setting to public.

21   Q.     **"Release of Personal Information"** means the sharing, selling, renting, or

22           transfer of Personal Information to any Third Party.

23



1 R. **“Support for the Internal Operations of the Website or Online Service”**

2 means:

3 1. Those activities necessary to:

- 4 a. Maintain or analyze the functioning of the website or online
- 5 service;
- 6 b. Perform network communications;
- 7 c. Authenticate users of, or personalize the content on, the website
- 8 or online service;
- 9 d. Serve contextual advertising on the website or online service, or
- 10 cap the frequency of advertising;
- 11 e. Protect the security or integrity of the user, website, or online
- 12 service;
- 13 f. Ensure legal or regulatory compliance; or
- 14 g. Fulfill a request of a Child as permitted by Sections 312.5(c)(3)
- 15 and (4) of the COPPA Rule (Appendix A);

16 2. So long as the information Collected for the activities listed in 1(a)-(g)

17 is not used or Disclosed to contact a specific individual, including

18 through behavioral advertising, to amass a profile on a specific

19 individual, or for any other purpose.

20

21

22

23

1 S. **“Third Party”** means any Person who is not:

- 2 1. An Operator with respect to the Collection or maintenance of Personal  
3 Information on the website or online service; or  
4  
5 2. A Person who provides Support for the Internal Operations of the  
6 Website or Online Service and who does not use or Disclose  
7 information protected under the COPPA Rule, 16 C.F.R. Part 312  
8 (Appendix A), for any other purpose.

9 T. **“Video(s)”** means any video that is Published.

10 U. **“Website or Online Service Directed to Children”** means a commercial  
11 website or online service, or portion thereof, that is targeted to Children as  
12 set forth under the COPPA Rule, 16 C.F.R. Part 312 (Appendix A).

- 13  
14 1. In determining whether a website or online service, or a portion  
15 thereof, is directed to Children, the factfinder will consider its subject  
16 matter, visual content, use of animated characters or Child-oriented  
17 activities and incentives, music or other audio content, age of models,  
18 presence of Child celebrities or celebrities who appeal to Children,  
19 language or other characteristics of the website or online service, as  
20 well as whether advertising promoting or appearing on the website or  
21 online service is directed to Children. The factfinder will also consider  
22  
23

1 competent and reliable empirical evidence regarding audience  
2 composition and evidence regarding the intended audience.

3 2. A website or online service shall be deemed directed to Children  
4 when it has actual knowledge that it is Collecting Personal  
5 Information directly from users of another website or online service  
6 directed to Children.  
7

8 3. A website or online service that is directed to Children under the  
9 criteria set forth in paragraph (1) of this definition, but that does not  
10 target Children as its primary audience, shall not be deemed directed  
11 to Children if it:

- 12
- 13 a. Does not Collect Personal Information from any visitor prior to  
14 Collecting age information; and
  - 15 b. Prevents the Collection, use, or Disclosure of Personal  
16 Information from visitors who identify themselves as under age  
17 13 without first complying with the notice and parental consent  
18 provisions of 16 C.F.R. Part 312.  
19

20 A website or online service shall not be deemed directed to Children solely  
21 because it refers or links to a commercial website or online service directed  
22 to Children by using information location tools, including a directory, index,  
23 reference, pointer, or hypertext link.



V. **“YouTube Platform”** means the streaming service available at YouTube.com and on YouTube applications.

## **ORDER**

### **I. INJUNCTION CONCERNING COLLECTION OF PERSONAL INFORMATION FROM CHILDREN**

IT IS ORDERED that Defendants, Defendants’ officers, agents, employees, and all other Persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, to the extent Defendants operate a channel on a Covered Service, and in connection with operation of such channel, are hereby permanently restrained and enjoined from:

A. Failing to make reasonable efforts, taking into account available technology, to ensure that a Parent of a Child receives direct notice as required by Section 312.4(c) of the Rule, 16 C.F.R. § 312.4(c), unless the COPPA Rule, 16 C.F.R. Part 312 (Appendix A), provides an exception to providing such notice;

B. Failing to post a prominent and clearly labeled link to an online notice of Defendants’ information practices with regard to Children on the home or landing page or screen of Defendants’ website or online service, *and* at each area of Defendants’ website or online service where Personal Information is Collected from Children, unless the COPPA Rule, 16 C.F.R. Part 312 (Appendix A), provides an exception to providing such notice;

1 C. Failing to Obtain Verifiable Parental Consent before any Collection,  
2 use, or Disclosure of Personal Information from Children, including consent to any  
3 material change in the Collection, use, or Disclosure practices to which the Parent  
4 has previously consented, unless COPPA Rule, 16 C.F.R. Part 312 (Appendix A),  
5 provides an exception to Obtaining Verifiable Parental Consent; and  
6

7 D. Violating the COPPA Rule, 16 C.F.R. Part 312 (Appendix A).

8 **II. MANDATED AUDIENCE DESIGNATION PROGRAM**

9 IT IS FURTHER ORDERED that Defendants, to the extent Defendants  
10 Publish Video(s) to a channel on the YouTube Platform, must, within one-hundred  
11 eighty (180) days of the date of entry of this Order, establish and implement, and  
12 thereafter maintain for ten (10) years, a program to review whether each of  
13 Defendants' Videos on the YouTube Platform is a Kids Video, and, if in  
14 Defendants' assessment it is, designate the Video as Made for Kids ("Audience  
15 Designation Program"); however, nothing in this Provision II is required in the  
16 event that: (1) the YouTube Platform no longer enables content creators to  
17 designate the audience for a Video as Made for Kids; or (2) the YouTube Platform  
18 implements measures to determine the age, age range, or age category of all  
19 YouTube users and either (a) the YouTube Platform restricts the collection of  
20 Personal Information, consistent with the COPPA Rule, 16 C.F.R. Part 312, from  
21 Children, or (b) the YouTube Platform enables Defendants to restrict the collection  
22  
23



1 of Personal Information, consistent with the COPPA Rule, 16 C.F.R. Part 312,  
2 from Children.

3 To satisfy the requirements of Provision II, at a minimum:

4 A. Defendants must document in writing the relevant content,  
5 implementation, and maintenance of the Audience Designation Program;  
6

7 B. Defendants must designate a qualified employee or employees to  
8 coordinate and be responsible for the Audience Designation Program;

9 C. Defendants must provide the written Audience Designation Program  
10 to a senior employee responsible for the Audience Designation Program at least  
11 once every twelve (12) months;  
12

13 D. Defendants must train employees with roles and responsibilities in  
14 Publishing Videos on the YouTube Platform on the requirements of the Audience  
15 Designation Program upon hire and, at least once every twelve (12) months  
16 thereafter; and

17 E. Assess and document, at least every twelve (12) months, the  
18 effectiveness of the Audience Designation Program.

19 Nothing in this Provision II prevents Defendants from participating in a safe harbor  
20 program under the COPPA Rule, 16 C.F.R. 312.11 (Appendix A).  
21  
22  
23



1                               **III. MONETARY JUDGMENT FOR CIVIL PENALTY**

2           IT IS FURTHER ORDERED that:

3           A.     Judgment in the amount of ten million dollars (\$10,000,000) is  
4 entered in favor of Plaintiff against Defendants, as a civil penalty.

5           B.     Defendants are ordered to pay to Plaintiff, by making payment to the  
6 Treasurer of the United States, ten million dollars (\$10,000,000), which, as  
7 Defendants stipulate, their undersigned counsel holds in escrow for no purpose  
8 other than payment to Plaintiff. Such payment must be made within seven (7) days  
9 of entry of this Order by electronic fund transfer in accordance with instructions  
10 provided by a representative of Plaintiff.  
11

12           C.     Defendants relinquish dominion and all legal and equitable right, title,  
13 and interest in all assets transferred pursuant to this Order and may not seek the  
14 return of any assets.  
15

16           D.     The facts alleged in the Complaint will be taken as true, without  
17 further proof, in any subsequent civil litigation by or on behalf of the Commission  
18 in a proceeding to enforce its rights to any payment or monetary judgment pursuant  
19 to this Order.  
20

21           E.     Defendants acknowledge that their Taxpayer Identification Numbers,  
22 which Defendants must submit to the Commission, may be used for collecting and  
23

1 reporting on any delinquent amount arising out of this Order, in accordance with  
2 31 U.S.C. § 7701.

3  
4 **IV. ORDER ACKNOWLEDGMENTS**

5 IT IS FURTHER ORDERED that Defendants obtain acknowledgments of  
6 receipt of this Order:

7 A. Each Defendant, within ten (10) days of entry of this Order, must  
8 submit to the Commission an acknowledgment of receipt of this Order sworn  
9 under penalty of perjury.

10 B. For five (5) years after entry of this Order, each Defendant must  
11 deliver a copy of this Order to: (1) all principals, officers, directors, managers and  
12 members; (2) all employees of a Covered Entity having managerial  
13 responsibilities for conduct related to the subject matter of the Order, and all  
14 agents and representatives of a Covered Entity who participate in conduct related  
15 to the subject matter of the Order; and (3) any business entity resulting from any  
16 change in structure as set forth in the Provision titled Compliance Reporting.  
17 Delivery must occur within ten (10) days of entry of this Order for current  
18 personnel. For all others, delivery must occur before they assume their  
19 responsibilities.  
20  
21  
22  
23



1 C. From each individual or entity to which a Defendant delivered a copy  
2 of this Order, that Defendant must obtain, within thirty (30) days, a signed and  
3 dated acknowledgment of receipt of this Order.

4  
5 **V. COMPLIANCE REPORTING**

6 IT IS FURTHER ORDERED that Defendants make timely submissions to  
7 the Commission:

8 A. One year after entry of this Order, each Defendant must submit a  
9 compliance report, sworn under penalty of perjury, in which each Defendant must:  
10 (a) identify the primary physical, postal, and email address and telephone number,  
11 as designated points of contact, which representatives of the Commission and  
12 Plaintiff may use to communicate with that Defendant; (b) identify the Covered  
13 Entities by all of their names, telephone numbers, and physical, postal, email, and  
14 Internet addresses; (c) describe that Defendant's use of each Covered Service to  
15 Publish Videos; (d) describe in detail whether and how that Defendant is in  
16 compliance with each Provision of this Order; (e) provide a copy of each  
17 materially different version of any Defendant privacy notice for each Covered  
18 Service or notice sent to Parents of Children that register for each Covered Service  
19 unless the COPPA Rule, 16 C.F.R. Part 312 (Appendix A), provides an exception  
20 to providing such notice, in which case the Defendant will solely be required to  
21 identify the applicable exception; (f) provide a statement setting forth in detail the  
22  
23

1 methods used to Obtain Verifiable Parental Consent prior to any Collection, use,  
2 and/or Disclosure of Personal Information from Children in connection with use  
3 of each Covered Service, unless the COPPA Rule, 16 C.F.R. Part 312 (Appendix  
4 A), provides an exception to providing such Verifiable Parental Consent, in which  
5 case the Defendant will solely be required to identify the applicable exception; (g)  
6 provide a statement setting forth in detail the means provided for Parents to  
7 review the Personal Information, if any, Collected by that Defendant from their  
8 Children through any Covered Service and to refuse to permit that Defendant's  
9 further use or maintenance for each Covered Service; and (h) provide a copy of  
10 each Order Acknowledgment obtained pursuant to this Order, unless previously  
11 submitted to the Commission.  
12

13  
14 B. For ten (10) years after entry of this Order, each Defendant must  
15 submit a compliance notice, sworn under penalty of perjury, within fourteen (14)  
16 days of any change in: (a) any designated point of contact; or (b) the structure of  
17 Defendant or any entity that Defendant has any ownership interest in or controls,  
18 directly or indirectly, that may affect compliance obligations arising under this  
19 Order, including: creation, merger, sale, or dissolution of the entity or any  
20 subsidiary, parent, or affiliate that engages in any acts or practices related to that  
21 Defendant's compliance with the COPPA Rule, 16 C.F.R. Part 312 (Appendix A),  
22 or that Publishes Videos to a Covered Service subject to this Order.  
23



1 C. Each Defendant must submit to the Commission notice of the filing of  
2 any bankruptcy petition, insolvency proceeding, or similar proceeding by or  
3 against such Defendant within fourteen (14) days of its filing.

4 D. Any submission to the Commission required by this Order to be  
5 sworn under penalty of perjury must be true and accurate and comply with 28  
6 U.S.C. § 1746, such as by concluding: “I declare under penalty of perjury under  
7 the laws of the United States of America that the foregoing is true and correct.  
8 Executed on: \_\_\_\_\_” and supplying the date, signatory’s full name, title (if  
9 applicable), and signature.  
10

11 E. Unless otherwise directed by a Commission representative in writing,  
12 all submissions to the Commission pursuant to this Order must be emailed to  
13 DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to:  
14 Associate Director for Enforcement, Bureau of Consumer Protection, Federal  
15 Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The  
16 subject line must begin: United States v. Disney Worldwide Services, Inc.  
17

## 18 VI. RECORDKEEPING

19 IT IS FURTHER ORDERED that Defendants must create certain records for  
20 ten (10) years after entry of the Order, and retain each such record for five (5)  
21 years. Specifically, each Defendant must create and retain the following records  
22 for such Defendant’s use of a Covered Service:  
23

1           A.     Accounting records showing any revenues related to a Covered  
2     Service;

3           B.     Personnel records showing, for each Person having managerial  
4     responsibility for using a Covered Service on behalf of a Covered Entity, whether  
5     as an employee or otherwise, that Person's: name; addresses; telephone numbers;  
6     job title or position; dates of service; and (if applicable) the reason for  
7     termination;

9           C.     Records of all consumer complaints relating to that Defendant's  
10    Collection of Personal Information from Children through each Covered Service,  
11    and any response; and

12           D.     All records necessary to demonstrate full compliance with each  
13    Provision of this Order, including all submissions to the Commission.

14  
15                   **VII. COMPLIANCE MONITORING**

16           IT IS FURTHER ORDERED that, for the purpose of monitoring  
17    Defendants' compliance with this Order:

18           A.     Within fourteen (14) days of receipt of a written request from a  
19    representative of the Commission or Plaintiff, each Defendant must: submit  
20    additional compliance reports or other requested information, which must be  
21    sworn under penalty of perjury; appear for depositions; and produce documents  
22    for inspection and copying. The Commission and Plaintiff are also authorized to  
23



1 obtain discovery, without further leave of court, using any of the procedures  
2 prescribed by Federal Rules of Civil Procedure 29, 30 (including telephonic  
3 depositions), 31, 33, 34, 36, 45, and 69.

4 B. For matters concerning this Order, the Commission and Plaintiff are  
5 authorized to communicate directly with Defendants. Defendants must permit  
6 representatives of the Commission and Plaintiff to interview any employee or  
7 other Person affiliated with any Defendant who has agreed to such an interview.  
8 The Person interviewed may have counsel present.

9 C. The Commission and Plaintiff may use all other lawful means,  
10 including posing, through its representatives, as consumers, suppliers, or other  
11 individuals or entities, to Defendant or any individual or entity affiliated with  
12 Defendants, without the necessity of identification or prior notice. Nothing in this  
13 Order limits the Commission's lawful use of compulsory process, pursuant to  
14 Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1.

15  
16  
17 **VIII. RETENTION OF JURISDICTION**

18 IT IS FURTHER ORDERED that this Court retains jurisdiction of this  
19 matter for purposes of construction, modification, and enforcement of this Order.

20  
21 **SO ORDERED** this \_\_\_\_ day of \_\_\_\_\_, 2025.

22  
23 \_\_\_\_\_  
UNITED STATES DISTRICT JUDGE

1                   The parties hereby consent to the terms and conditions of the  
2  
3       Order as set forth above and consent to the entry thereof.  
4  
5  
6

7       **FOR PLAINTIFF UNITED STATES OF AMERICA:**

8       BRETT A. SHUMATE  
9       Assistant Attorney General, Civil Division

10       JORDAN C. CAMPBELL  
11       Deputy Assistant Attorney General

12       SARMAD M. KHOJASTEH  
13       Senior counsel

14       LISA K. HSIAO  
15       Acting Director, Consumer Protection Branch

16       ZACHARY A. DIETERT  
17       Assistant Director

18       /s/ Zachary L. Cowan

Date: 09/02/2025

19       ZACHARY L. COWAN  
20       FRANCISCO L. UNGER  
21       Trial Attorneys  
22       Consumer Protection Branch  
23       U.S. Department of Justice  
450 5th St., N.W. Ste. 6400-S  
Washington, D.C. 20530  
(202) 598-7566 (Cowan)  
Zachary.L.Cowan@usdoj.gov  
Francisco.L.Unger@usdoj.gov

DocuSign Envelope ID: 80D5A303-028E-4F43-B7B2-9DA4C5AA06BC

1 **FOR THE FEDERAL TRADE COMMISSION:**2  
3 *Genevieve Bonan*4 JACQUELINE FORD  
5 GENEVIEVE BONAN  
6 Division of Privacy and Identity Protection  
7 Federal Trade Commission  
8 600 Pennsylvania Avenue NW  
9 Mail Stop CC-8232  
10 Washington, DC 20580  
11 (202) 326-2844 (Ford)  
12 (202) 326-3139 (Bonan)  
13 jford1@ftc.gov  
14 gbonan@ftc.gov12 **FOR DEFENDANTS:**13  
14 DocuSigned by:15 *Alysa Z. Hutnik*  
16 F4B8D69/0B3A422

Date: 07/02/2025

17 Alysa Z. Hutnik  
18 Laura Riposo VanDruff  
19 Alexander I. Schneider  
20 Kelley Drye & Warren LLP  
21 Washington Harbour, Suite 400  
22 3050 K Street NW  
23 Washington, DC 20007  
ahutnik@kelleydrye.com  
lvandruff@kelleydrye.com  
aschneider@kelleydrye.com  
Counsel for Disney Worldwide Services, Inc. and Disney Entertainment Operations  
LLC

Page 23 of 25

PROPOSED ORDER

DocuSign Envelope ID: 80D5A303-028E-4F43-B7B2-9DA4C5AA06BC

1 **DEFENDANT DISNEY WORLDWIDE SERVICES, INC.:**2  
3 DocuSigned by:4 *Joanna Balikian*  
5 JOANNA BALIKIAN

Date: 07/02/2025

6 Vice President  
7 Disney Worldwide Services, Inc.  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23

Page 24 of 25

PROPOSED ORDER

DocuSign Envelope ID: 00D9A503-020E-4F43-B7B2-9DA4C8FA06BC

1 **DEFENDANT: DISNEY ENTERTAINMENT OPERATIONS LLC**

2

DocuSigned by:

*Joanna Balikian*

Date: 07/02/2025

3

UC9AHRB2022/403

4

Joanna Balikian

5

Vice President

6

Disney Entertainment Operations LLC

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

## **REASONS FOR SETTLEMENT**

This statement accompanies the Stipulated Order for Permanent Injunction, Civil Penalty Judgment, and Other Relief (“Order”) executed by defendants Disney Worldwide Services, Inc. and Disney Entertainment Operations LLC (“Defendants”) in settlement of an action seeking injunctive relief, civil penalties, and other relief for Defendants’ violations of the Children’s Online Privacy Protection Act of 1998 (“COPPA”), 15 U.S.C. §§ 6501-6506, and the Children’s Online Privacy Protection Rule (“COPPA Rule”), 16 C.F.R. Part 312. The Order imposes injunctive relief and requires that Defendants pay \$10,000,000 as a civil penalty.

Pursuant to Section 5(m)(3) of the FTC Act, 15 U.S.C. § 45(m)(3), the Commission hereby sets forth its reasons for settlement by entry of the Order:

Based on the allegations contained in the Complaint for Permanent Injunction, Civil Penalty Judgment, and Other Relief, and the factors set forth in Section 5(m)(1)(C) of the FTC Act, 15 U.S.C. § 45(m)(1)(C), the Commission believes that entry of the Order is appropriate and in the public interest.

First, the \$10,000,000 civil penalty and the injunctive provisions in the Order constitute an effective means to ensure Defendants’ future compliance with the law and deter others from engaging in similar violations.

Second, the Order is consistent with past orders entered in cases involving similar violations of COPPA and the COPPA Rule.

Finally, with the entry of the Order, the time and expense of litigation against Defendants will be avoided.

For the foregoing reasons, the Commission believes that settlement by entry of the attached Order is justified and well within the public interest.