



Office of the Secretary

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

December 23, 2013

Imperium, LLC  
Marshall C. Harrison, CEO  
164 Kings Highway North  
Westport, CT 06880

Re: Imperium, LLC Proposed Verifiable Parental Consent Method Application (FTC  
Matter No. P135419)

Dear Mr. Harrison:

This letter is to C let

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Privacy Protection Rule (“COPPA” or “the Rule”).

The provision of COPPA allowing for Commission approval of unenumerated VPC methods provides a unique opportunity for the development of new verification methods that provide businesses more flexibility, while ensuring parents are providing consent for the collection of their children’s information. The Commission has determined that knowledge-based authentication, when conducted as set forth in this letter, meets the criteria for approval set forth by the Rule.

Imperium submitted a proposed VPC method for approval on August 13, 2013. The Commission published the application in the Federal Register on September 12, 2013. The public comment period closed on November 4, 2013.

Mr. Marshall C. Harrison

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under the relevant provision of the Rule. Moreover, the Commission does not opine as to whether COPPA-related services that are not integral to the proposed VPC method satisfy the requirements of the Rule.

Advancement of Structured Information Standards (“OASIS”) agree.<sup>9</sup> Evidence shows that incorporating certain techniques into the implementation of KBA—such as using multiple and dynamic questions and ensuring the answers are not reasonably knowable by someone other than the individual to be authenticated (in this case, by the child)—improves the efficacy of the method.<sup>10</sup> In short, identity verification via KBA using these techniques is well-established and has been adequately utilized and refined in the marketplace to demonstrate that it is sufficiently reliable to verify that individuals are parents authorized to consent to the collection of children’s personal information.<sup>11</sup>

Therefore, the Commission approves, for inclusion as a VPC method in COPPA, the use of KBA, provided it is appropriately implemented based on factors including: 1) the use of dynamic, multiple-choice questions, where there are a reasonable number of questions with an adequate number of possible answers such that the probability of correctly guessing the answers is low; and 2) the use of questions of sufficient difficulty that a child age 12 or under in the parent’s household could not reasonably ascertain the answers.

By direction of the Commission.

April J. Tabor  
Acting Secretary

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Commission, *Security in Numbers—SSNs and ID Theft* (Dec. 2008), at 7, available at <http://www.ftc.gov/os/2008/12/P075414ssnreport.pdf>.

<sup>9</sup> OASIS, *Analysis of Methods of Trust Elevation* Version 1.0 (committee approved) (April 2013), *OASIS Electronic Identity Credential Trust Elevation Methods*, available at