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**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND**

UNITED STATES OF AMERICA,EMC /Touch-Up Line<</B 492 / LombardS4925 -0.02 0.0161 T 0.024 -0.00

6. The Rule applies to any operator of a commercial website or online service directed to children that collects, uses, and/or discloses personal information from children, or any operator that has actual knowledge that it is collecting or maintaining a child's personal information.

7. The Rule requires a subject website operator to meet specific requirements prior to collecting online, using, or disclosing personal information from children, including but not limited to:

- a. Posting a privacy policy on its website providing clear, understandable, and complete notice of its information practices, including what information the website operator collects from children online, how it uses such information, its disclosure practices for such information, and other specifically required disclosures;
- b. Providing clear, understandable, and complete notice of its information practices directly to parents when required by the Rule;
- c. Obtaining verifiable parental consent prior to collecting, using, and/or disclosing personal information from children;
- d. Giving parents the option to consent to the collection and internal use of their children's personal information without consenting to the disclosure of that information to third parties;

- e. Providing a reasonable means for parents to review the personal information collected from their children and to refuse to permit its further use or maintenance;
- f. Not conditioning children's participation in an activity upon children disclosing

such as print magazine subscriptions, apparel, books, candy, jewelry, music, and novelties; and promote the products sold and commercial websites operated by other companies that advertise on defendants' website and in their magazine. Defendants market their products and services throughout the United States through the Internet.

12. The acts and practices of defendants alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

DEFENDANTS' COURSE OF CONDUCT

13. Defendants' website www.girlslife.com is directed to children and young teenagers.

14. Defendants, alone and in conjunction with other website operators, offer several free online activities and services to children under 13 through www.girlslife.com, including bulletin boards, email accounts, electronic postcards, contests, and other opportunities to submit and post written content.

Defendants' Information Collection, Use, and Disclosure Practices

15. Defendants collect the following personal information from children online:

- a. Defendants ask children who wish to enter contests to submit their full name, postal address, and, variously, short essays, age, and their parent's daytime telephone number. (Exhibit A.)
- b. Defendants ask children who wish to change the postal address at which they receive defendants' print magazine *Girls' Life* to submit online their full name, email address, old postal address, new postal address, and customer number.

COMPLAINT FOR CIVIL PENALTIES

Inc. also disclose children's personal information to various third parties. (*See* 9/15/00 www.bigmailbox.com privacy policy, Exhibit G.)

- f. Defendants, in conjunction with Looksmart Ltd., ask children who wish to post a message on the Girls' Life bulletin boards to submit their full name and email address along with the message. (Exhibit H.) Defendants and Looksmart Ltd. disclose all submitted personal information to the public by posting it online. (*See* Exhibit I.)
- g. Defendants, in conjunction with All-Yours Internet Solutions, ask children who wish to send a Girls' Life electronic postcard to submit their full name, their email address, the recipient's full name, the recipient's email address, and an open-ended message. (Exhibit J.) All-Yours Internet Solutions retains the personal information submitted and uses it later to contact the child to confirm delivery of the electronic postcard. (*Id.*)

The personal information collected is more than what is reasonably necessary for children to participate in these activities.

Defendants' Privacy Policy

16. Prior to approximately October 18, 2000, defendants did not post any privacy policy. Since then, defendants have posted a privacy policy, but it does not clearly, understandably, or completely disclose all of their information collection, use, and disclosure practices and other disclosures required by the Rule. Defendants' privacy policy, additionally, is

COMPLAINT FOR CIVIL PENALTIES, INJUNCTIVE, AND OTHER RELIEF,

ways described above constitutes a separate violation for which plaintiff seeks monetary civil penalties.

- (4) Award plaintiff such additional relief as the Court may deem just, proper, or necessary to redress injury to consumers resulting from defendants' violations of the Rule, 16 C.F.R. Part 312.

DATED:

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