

United States of America FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

Office of the Secretary

February 24, 2014

iVeriFly, Inc. Seth D. Heyman, Senior Counsel 1851 East First Street, Suite 1260 Santa Ana, CA 92705

Re: iVeriFly, Inc.'s Application for Approval as a COPPA Verifiable Consent Mechanism (FTC Matter No. P135420)

Dear Mr. Heyman,

This letter is to inform you that the Federal Trade Commission has reviewed iVeriFly, Inc.'s ("iVeriFly") application for approval of a proposed verifiable parental consent ("VPC") method under the Children's Online Privacy Protection Rule ("COPPA" or "the Rule"). After careful consideration of the application and the public comment that was submitted in this matter, the Commission has determined that iVeriFly's VPC method is a variation on VPC methods already recognized in the Rule or recently approved by the Commission, and thus has determined that it is unnecessary to approve your specific implementation of these methods.

iVeriFly submitted a proposed VPC method for approval on October 28, 2013. The Commission published the application in the Federal Register on December 16, 2013. The public comment period closed on January 21, 2014.¹ In response to the application, the Commission received one comment regarding iVeriFly's application.² Privacy Vaults Online, Inc. d/b/a PRIVO ("PRIVO"), a current COPPA safe harbor organization, filed a comment asserting, among other things, that iVeriFly's proposed VPC method should be dismissed as "moot" because it is built upon pre-approved VPC methods.

Section 312.12(a) of the Rule allows parties to request Commission approval of parental consent methods not currently enumerated in the Rule.³ This provision seeks to encourage the development of new verification methods that provide businesses more flexibility while ensuring parents are providing consent for their children. COPPA requires an applicant for Commission approval of a parental consent method to provide 1) a detailed description of the proposed parental consent method and 2) an analysis of how the method is reasonably calculated, in light

¹ 78 Fed. Reg. 77026 (December 20, 2013), available at

http://www.ftc.gov/sites/default/files/documents/federal_register_notices/2013/12/131216iverflyfrn.pdf.² The Comment is available at

http://www.ftc.gov/system/files/documents/public_comments/2014/01/privo_iverifly_comments.pdf. 3 16 C.F.R. § 312.12(a).

of available technology, to ensure that the person providing consent is the child's parent.⁴ Under COPPA, the Commission considers for approval a proposed VPC *method* rather than a party's specific implementation of a VPC method.

In its application, iVeriFly outlines its VPC system, which conducts identity verification in several ways. The initial step iVeriFly uses to verify identity is Social Security number verification, which is an approved VPC method under the Rule.