

US court rules Amazon liable for kids' app charges

April 27 2016



The US Federal Trade Commission backed lawsuit which argued that Amazon failed to get consent from parents whose children made in-app purchases on the Kindle and Fire tablets

Online giant Amazon must pay damages to consumers billed for app purchases by children on its tablets, a federal court has ruled, in a win for US regulators.



The US Federal Trade Commission said Wednesday the court backed its lawsuit, which argued that Amazon failed to get consent from parents whose children made in-app purchases on the Kindle and Fire tablets, sometimes racking up huge bills.

The FTC has also reached settlements with Apple and Google on similar cases, arguing the lack of passwords had allowed children to make app purchases without <u>parental consent</u>.

"We are pleased the <u>federal judge</u> found Amazon liable for unfairly billing consumers for unauthorized in-app purchases by children," said FTC chairwoman Edith Ramirez.

"We look forward to making a case for full refunds to consumers as a result of Amazon's actions."

Federal judge John Coughenour in Seattle, Washington ruled Tuesday that Amazon and the FTC should submit briefs on the amount of compensation to be given.

"Given the design of the Appstore and procedures around in-app purchases, it is reasonable to conclude that many customers were never aware that they had made an in-app purchase," the judge said in his ruling.

But he stopped short of issuing an injunction against Amazon, which in updated hardware and software has required passwords for app purchases.

Amazon did not immediately respond to a query on the case.

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