

## NY settles with four companies to stop tracking children online

September 13 2016, by Michael Virtanen

The state attorney general announced settlements Tuesday with Viacom, Mattel, Hasbro and JumpStart Games to stop them from using or allowing tracking technology on their popular children's websites.

The settlements require Viacom, Mattel and JumpStart to pay penalties totaling \$835,000 following a two-year investigation into violations of the 1998 federal law that prohibits unauthorized collection of children's personal information on websites directed at users under 13. Hasbro won't pay a penalty because it was enrolled in a Federal Trade Commission-approved online-privacy program that had some problems, according to the <u>attorney general</u>'s office.

All four companies allowed tracking technology such as cookies on their websites in violation of the law, Attorney General Eric Schneiderman said. Such technology can be used by marketers and advertisers to target potential customers.

"The way the law is structured, the companies have the primary obligation to police their sites," Schneiderman said. "When we notified them, they took immediate action."

Their websites include Viacom's Nick Jr. and Nickelodeon; Mattel's Barbie, Hot Wheels and American Girl; JumpStart's Neopets; and Hasbro's My Little Pony, Littlest Pet Shop and Nerf.

Hasbro said it cooperated with investigators and will closely monitor



companies working on its behalf.

"We are rolling out a new, stricter online privacy protection policy for our partners, and enacting new protocols and technology to scan our digital properties for any cookies, widgets or other applications that may violate our policy," spokeswoman Julie Duffy said.

Mattel said it takes online privacy and security seriously.

"Any time we become aware of a question about whether a Matteloperated <u>website</u> is in full compliance with the Children's Online Privacy Protection Act or other laws, we take prompt action to investigate and, if necessary, remedy the situation and look for additional controls to avoid a re-occurrence," spokesman Alex Clark said.

Viacom and JumpStart didn't immediately reply to requests for comment.

"Now children live online and we have to police the internet as we seek to police our streets," Schneiderman said. "You track people so you can sell things to them. ... I don't want there to be a dossier on any child that can be used later to scam them."

All four companies signed agreements to regularly scan their children's websites to screen advertisers' or others' data collection practices to ensure legal compliance and update their privacy policies. Penalties are \$500,000 for Viacom, \$250,000 for Mattel and \$85,000 for JumpStart.

The New York investigation is continuing. Schneiderman said he hopes other companies with websites for children will now remove similar tracking by advertisers or other third parties, he said, adding that there's an open debate about the need for a similar law to protect adults' privacy. "It's open season on adults," he said.



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