

Immediate Release

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## **CARU EXAMINES MINICLIPS WEBSITE** *Company Brings Website into Compliance with Guidelines, COPPA*

*New York, NY – May 1, 2008* – The Children’s Advertising Review Unit (CARU) of the Council of Better Business Bureaus, Inc., has recommended that **Miniclip Ltd.**, operator of the Website [www.miniclip.com](http://www.miniclip.com), modify the site to assure compliance with CARU’s *Self-Regulatory Guidelines for Children’s Advertising* and federal Children’s Online Privacy Protection Act (COPPA). The operator has taken steps to do so.

The site came to the attention of CARU, the children’s advertising industry’s self-regulatory forum, through CARU’s routine monitoring of the Internet.

The Miniclip Website offers free online games and allows players to challenge one another to earn points and awards. The site also allows registered users to purchase games, view cartoons and send animated e-cards. Upon its initial review of the Website, CARU noted that when registering, a user was asked to enter an email address (also used as a login name), password and check a box stating, “I am 13 years or older” or “I am under 13.” Next to these selections was a question mark.

If a user clicked on the question mark, a message popped up stating, “You will need your parent’s permission if you are under 13.”

Visitors who checked the under 13 box, were required to submit a date of birth. A statement below read: “I am a parent giving my consent.” A user had to check this box to complete registration. An email was sent to the prospective member with a link to verify his email address and finalize registration.

CARU was concerned that the Website collected personally identifiable information (PII) in the form of an email address from children it knew were under 13 year of age without first obtaining prior verifiable parental consent, contrary to the Guidelines and COPPA.

At the outset of the CARU inquiry, the operator modified the site, choosing to collect and immediately encrypt the user’s email address rather than invoke the protective measures relating to prior parental consent and notification.

Further, the operator noted that for users under the age of 13, it would collect an email address, immediately encrypt the address, and clearly explain the process in its Website’s privacy policy and at the point of collection. The email address would be used for account activation and login purposes only.

The operator modified the registration process to collect age information in a neutral manner, using a drop down menu. Additionally, the Website removed all tip-off language.

The company, in its advertiser’s statement, said it appreciated “CARU’s professional manner in dealing with COPPA compliance on the Internet.”

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*CARU’s inquiry was conducted under NAD/CARU/NARB Procedures for the Voluntary Self-Regulation of National Advertising. Details of the initial inquiry, CARU’s decision, and the advertiser’s response*

*will be included in the next NAD/CARU Case Report.*

**About Advertising Industry Self-Regulation:** The National Advertising Review Council (NARC) was formed in 1971 by the Association of National Advertisers, Inc. (ANA), the American Association of Advertising Agencies, Inc. (AAAA), the American Advertising Federation, Inc. (AAF), and the Council of Better Business Bureaus, Inc. (CBBB). Its purpose is to foster truth and accuracy in national advertising through voluntary self-regulation. NARC is the body that establishes the policies and procedures for the CBBB's National Advertising Division (NAD) and Children's Advertising Review Unit (CARU), as well as for the National Advertising Review Board (NARB) and Electronic Retailing Self-Regulation Program (ERSP).

NAD and CARU are the investigative arms of the advertising industry's voluntary self-regulation program. Their casework results from competitive challenges from other advertisers, and also from self-monitoring traditional and new media. The National Advertising Review Board (NARB), the appeals body, is a peer group from which ad-hoc panels are selected to adjudicate those cases that are not resolved at the NAD/CARU level. This unique, self-regulatory system is funded entirely by the business community; CARU is financed by the children's advertising industry, while NAD/NARC/NARB's sole source of funding is derived from membership fees paid to the CBBB. Funding for ERSP is derived from membership fees paid to the Electronic Retailing Association. For more information about advertising self regulation, please visit [www.narcpartners.org](http://www.narcpartners.org).