

Operator of Celebrity Fan Websites Hit With Costly COPPA Violation

by Anthony Caruso on November 16, 2012

The operator of celebrity fan websites for music stars Justin Bieber, Rihanna, Demi Lovato, and Selena Gomez will pay \$1 million to settle Federal Trade Commission charges that it violated the Children's Online Privacy Protection Act (COPPA). The FTC alleged that the websites collected personal information from children under 13 without their parents' consent.

According to the FTC, Artist Arena operated fan websites such as www.RihannaNow.com, www.DemiLovatoFanClub.net, www.BieberFever.com, and www.SelenaGomez.com where children were able to register to join a fan club, create profiles and post on members' walls. According to the complaint, Artist Arena knowingly registered over 25,000 children under age 13 and collected and maintained personal information from almost 75,000 additional children who began, but did not complete the registration process. The information was collected without prior parental consent.

"Marketers need to know that even a bad case of Bieber Fever doesn't excuse their legal obligation to get parental consent before collecting personal information from children," said FTC Chairman Jon Leibowitz. "The FTC is in the process of updating the COPPA Rule to ensure that it continues to protect kids growing up in the digital age."

This case demonstrates that the FTC continues to make COPAA violations a top priority, largely in response to the growing power of the Internet, mobile applications, and social media. For more information, we invite you to check out our COPPA compliance post.

For more information about this case or other FTC compliance issues, please contact Anthony Caruso, Chair of Scarinci Hollenbeck's Sports and Entertainment Law Group.