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Disney Apps Spying on Children, Lawsuit Claims

The Walt Disney Company has been slapped with a lawsuit claiming that more than 40 of its smartphone apps are illegally spying on children.

The class-action lawsuit alleges that Disney is violating the Children's Online Privacy Protection Act (COPPA). The law, passed in 1998, was designed to protect the privacy of children online. "COPPA imposes certain requirements on operators of websites or online services directed to children under 13 years of age, and on operators of other websites or online services that have actual knowledge that they are collecting personal information online from a child under 13 years of age," reads a summary of the law on the Federal Trade Commission's website. The lawsuit claims that the apps have "trackers" installed into them, which can collect information such as geographical location, internet browsing history and other personal information.

These items are then sold to third-parties for advertising purposes. California resident Amanda Rushing filed the suit on Aug. 3 in a United States District Court in San Francisco. "Children are especially vulnerable to online tracking and the resulting behavioral advertising," the lawsuit reads, according to Fox 13 Memphis. "Disney never obtained verifiable parental consent to collect, use, or disclose her child's personal information." Disney has not yet responded to a request for comment from Fox News. However, the company did respond to The Washington Post earlier this week, saying: "Disney has a robust COPPA compliance program, and we maintain strict data collection and use policies for

Disney apps created for children and families. The complaint is based on a fundamental misunderstanding of COPPA principles, and we look forward to defending this action in Court.” Disney's smartphone apps are particularly popular, most notably with children. According to the Google Play Store, "Where's My Water? 2," - one of the apps on the list - has been downloaded between 100 million and 500 million times. The app is also listed as an "Editor's Choice" on the Apple App Store. Other games alleged to be collecting the illegal data, such as "Moana Island Life" and "Disney Color and Play" have between 1 million and 5 million installations on Android devices. [note: the news article listed the 40+ apps that are supposedly tracking usage).

This is not the first time Disney has been hit with COPPA violations. In 2011, the FTC hit a Disney subsidiary, Playcom, with a \$3 million fine after a lawsuit by the government agency found it registered 1.2 million users for online games. The lawsuit said Disney collected personal information from children such as email addresses and ages, while allowing them to give other information such as full names, instant messenger usernames and physical locations. Disney also recently settled a lawsuit for its ABC subsidiary, related to the "pink slime" lawsuit. In a quarterly filing, the settlement likely cost the company \$177 million, according to Fox Business.

Disney said on Aug. 8 it was undergoing a massive shift to its business due to the changing environment in the media business. For ESPN, one of its largest segments, it said it would go direct-to-consumer, starting in 2018, as the unit has been hit by subscriber losses. It also said it would no longer put its Disney and Pixar movies on Netflix, starting with its 2019 calendar film slate.

