

FTC Settles Privacy Claims/Radio Frequency ID Touted To Stop Drug Counterfeiting

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Federal Trade Commission Settles Privacy Act Claims: UMG Recordings, Inc. and Bonzi Software, Inc. have agreed to the entry of consent decrees with the Federal Trade Commission (FTC) in connection with the federal Children's Online Privacy Protection Act (COPPA). COPPA prohibits the collection of personally identifiable information online from children under 13 without the collecting company having first obtained parental consent. As part of the consent decrees, UMG and Bonzi agreed to pay, respectively, \$400,000 and \$75,000 in civil penalties.

Drug Companies Advised To Use Radio Frequency Identification Technology To Stop Counterfeiting: As a means of enhancing the tracking and tracing of legitimate pharmaceuticals, the Food and Drug Administration has issued a report strongly recommending that drug companies use up-and-coming Radio Frequency Identification (aka RFID) technology. RFID involves placing within a product a minute chip which emits a radio frequency unique to that specific item. RFID technology is expected to be widely available by 2007.

For more information about privacy regulations governing online activities, how new technologies can impact legal issues facing your business or any other E-Business issue, contact your Miller Canfield attorney. This message is for general information only and should not be used as a basis for specific action without obtaining further legal advice.