

VIA EMAIL January 31, 2023

Laura Smith
Legal Director
Truth in Advertising, Inc.
Ismith@tina.org

Re: Response to January 23 Letter Regarding Walmart's Universe of Play Roblox Experience

Dear Ms. Smith:

This responds to your January 23, 2023, letter regarding Walmart Universe of Play. While we share your goal of protecting children from misleading and inappropriate marketing practices, we disagree with the premise of your correspondence that Walmart "is deceptively marketing its goods and services to players by blurring the distinction between advertising content and organic content and failing to provide any clear or conspicuous disclosures that the game (or contents within the game) are ads."

As you are aware, BBB National Programs' Children's Advertising Review Unit (CARU) COPPA Safe Harbor Program, the first and longest-running COPPA Safe Harbor Program in the U.S., is the only one designed to ensure both a company's products and the product's advertising comply with COPPA and CARU's Advertising and Privacy Guidelines. As you are also aware, we take that responsibility seriously.

With each new Safe Harbor, CARU undertakes a careful review of the applicable online service to ensure it meets the rigorous standards of COPPA, CARU's Advertising and Privacy Guidelines, and the FTC Act. CARU does not issue its certification seal without an independent comprehensive compliance due diligence review and collaboration with the Safe Harbor, as necessary. We conferred COPPA Safe Harbor status on Walmart's Universe of Play in December 2022.

The combination of the use of Walmart's logo, branding, trademarks, etc. throughout the game, and the fact that the game is modeled after Walmart's popular Universe of Play catalog, demonstrates the commercial nature of the game, and provides users, including children, the visual cues they need to understand the experience is advertising. CARU's Advertising Guidelines state:

Some advertising, due to its wording, design, and context, may be so clearly commercial in nature that it is likely to be recognizable as advertising even without a specific disclosure, e.g., traditional linear television commercials or, in many instances, an advertiser's own branded websites, social media channels, or apps. (Emphasis added.)



Certainly, the metaverse, and proto-metaverse type spaces such as Roblox, are an evolving, immersive space developing at a rapid pace. Gray areas do exist, and views will differ on the clarity of messaging as well as the need for and adequacy of disclosures. CARU is working diligently with industry, including the platforms, to address the various advertising and privacy issues found in the metaverse that may pose a threat or harm to children.

While you may disagree with our conclusions in this case, I can assure you that they were made after careful consideration by our independent team of dedicated CARU professionals.

Respectfully,

Dona J. Fraser

Senior Vice President, Privacy Initiatives BBB National Programs

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CC:

Fairplay
Center for Digital Democracy
National Association of Consumer Advocates