

#### **Key Updates:**

- On May 1, 2024, BBB National Programs' Children's Advertising Review Unit (CARU) issued a <u>compliance warning</u> stating that its Self-Regulatory Guidelines for Children's Advertising (Advertising Guidelines) and Self-Regulatory Guidelines for Children's Online Privacy Protection (Privacy Guidelines) apply to artificial intelligence (AI) in advertising and data collection targeted at children under 13.
- CARU warns brands that it will strictly enforce its Advertising Guidelines and Privacy Guidelines in connection with the use of AI to protect children, who are more vulnerable to advertising and whose data collection poses special concerns.

CARU recently issued a compliance warning to put advertisers, brands, endorsers, developers, toy manufacturers, and others on notice that the Advertising Guidelines and Privacy Guidelines apply to the use of AI in advertising to and collecting personal data from children under 13. A few highlights from the compliance warning follow. Brands should:

- Not mislead children using (1) AI-generated deep fakes; (2) simulated elements, including the simulation of realistic people, places, or things; or (3) AI-powered voice cloning techniques within an ad;
- Not mislead children about product or performance characteristics (e.g., product depictions including copy, sound, and visual presentations generated or enhanced using AI);
- Not use AI to mislead children into believing they are engaging with a real person;
- Not use AI-generated imagery to create unattainable performance expectations;
- Not mislead children about the inclusion, benefits, or features of AI technology in the products themselves;
- Not use AI to create the impression that a celebrity or other person has endorsed a product when they have not:
- Take measures to ensure that people depicted using generative AI reflect the diversity of humanity and do not perpetuate harmful stereotypes, prejudice, or discrimination;
- Ensure compliance with the Children's Online Privacy Protection Act, including by obtaining verifiable parental consent when collecting and operating personal data to use in or with AI systems; and
- Not use children's information in an AI system if they cannot fulfill a deletion request from a parent.

For additional information about the Advertising Guidelines, see our blog post here.

#### **Authors**



Erin K. Earl

Partner

EEarl@perkinscoie.com 206.359.8510



Jason S. Howell

Partner

JHowell@perkinscoie.com 206.359.3134



### Jordan Hameen

Associate

JHameen@perkinscoie.com 202.434.1635



## Wonji Kerper

Associate

WKerper@perkinscoie.com 206.359.3795

#### Explore more in

Consumer Protection

Blog series

# **Consumer Protection Review**

Consumer Protection Review helps businesses that market and sell to consumers navigate federal and state legal issues related to advertising, privacy, promotions, products liability, government investigations, unfair competition, class actions and general consumer protection.

View the blog