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Consumer organisations across the EU take action against flawed internet-connected toys

The internet-connected toys 'My Friend Cayla' and 'i-Que' fail miserably when it comes to safeguarding basic consumer rights, security, and privacy. Both toys are sold widely in the EU. BEUC's Norwegian member, the Norwegian Consumer Council, has looked at the terms and technical features of these connected toys. The findings reveal serious risks to, and a lack of understanding of, children's rights to privacy and security.

Based on these results, consumer organisations in Europe and the United States are now filing complaints to relevant national authorities on what seems to be obvious breaches of several consumer laws. BEUC is issuing letters to the European Commission, the EU network of national data protection authorities and the International Consumer Protection and Enforcement Network (ICPEN).

Monique Goyens, Director General of The European Consumer Organisation (BEUC), commented:

"Children are especially vulnerable, and are entitled to products and services that safeguard their rights to security and privacy. As long as manufacturers are not willing to take these issues seriously it is clear that this type of connected products is not suitable for children.

"As an increasing number of manufacturers and providers move into the digital field, they must be careful with the security and privacy risks that the digital world opens up.

"With internet-connected devices gaining ground, market supervision is becoming increasingly complex. The challenge to make sure European consumers are properly protected is huge and co-operation between authorities and consumer organisations is key. The fact that business malpractices spill over national borders is making this task even harder."

Findings

In the review of the toys, the Norwegian Consumer Council has found several serious issues:

1. Lack of safety: With simple steps, anyone can take control of the toys, which can talk and record conversations, through a mobile phone. This makes it possible to talk and listen through the toy without having physical access to the toy. This lack of safety could easily have been prevented,

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for example by making physical access to the toy required or by requiring the user to press a button when pairing their phone and the toy.

2. Illegal user terms: Before using the toy, users must consent to the terms being changed without notice, that personal data can be used for targeted advertising, and that information may be shared with unnamed 3rd parties. This and other discoveries are, in consumer organisations' opinion, in breach of the EU Unfair Contract Terms Directive, EU Data Protection Directive and raises serious doubts about toy safety protection.
3. Kids' secrets are shared: Anything the child tells the doll is transferred to the U.S.-based company Nuance Communications, who specialise in speech recognition technologies. The company reserves the right to use this information with other third parties, and for a wide variety of purposes.
4. Kids are subject to hidden marketing: The toys are embedded with pre-programmed phrases, where they endorse different commercial products. For example, Cayla will happily talk about how much she loves different Disney movies, meanwhile, the app-provider also has a commercial relationship with Disney.

ENDS

Campaign video: <https://www.youtube.com/watch?v=IAOj0H5c6Yc&feature=youtu.be>

Campaign website: <http://www.forbrukerradet.no/siste-nytt/connected-toys-violate-consumer-laws>

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