



Doing The Right Thing:

How Electronic Age Verification Protects Kids Online

An IDology, Inc. Whitepaper

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Taming the Wild West of the 21st Century

As a society we have established and live by a set of rules designed to keep merchandise and services intended for adults out of the reach of children. In most states, alcohol sales are restricted to anyone under 21 and 18 to buy tobacco. Entertainment rating systems are used to determine if the content of movies, music or video games is suitable to minors. Adult content magazines are kept out of site behind clerk counters in many stores across the US. Advertising guidelines are followed for age-restricted products and promotional items. Convicted sexual predators are required to register their residence.

Yet on the Internet, it is more like we live in the Wild West where anything goes. Logically we know all these rules still apply. But enforcing them is a different situation.

Kim Cameron, Architect of Identity at Microsoft Corporation, states the problem clearly within his paper on the Laws of Identity: “the Internet was built without a way to know who and what you are connecting to.”¹ And Peter Steiner, cartoonist at the New Yorker hints at the dangers this poses in his well known cartoon: “On the Internet, nobody knows you’re a dog.”²

Fortunately, advanced age and identity verification technology solutions exist that foster online trust and allow businesses to know who their customer is when selling, marketing or distributing age-restricted or age-sensitive products, services or content. The result of such solutions is a safer online environment for kids that supports adult freedom of choice and protects sensitive identifying information.

This white paper will review the emerging trends in the age and identity verification market and examine the benefits of integrating an electronic age verification solution within your business.



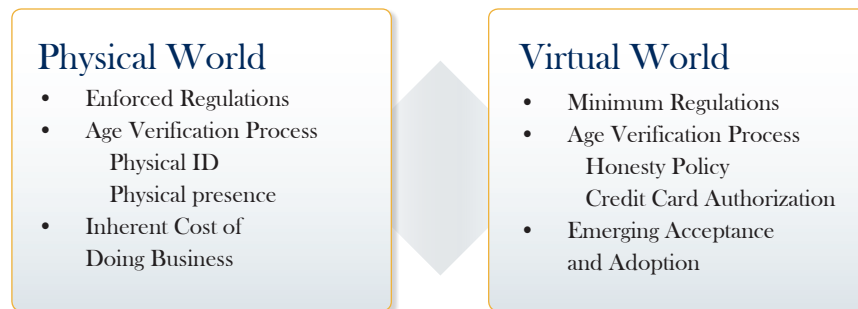
“On the Internet, nobody knows you’re a dog.”

1. Kim Cameron, *Laws of Identity*, May 2005, 1

2. Peter Steiner’s cartoon first appeared in the *The New Yorker*, on July 5, 1993 and is reproduced in compliance with the copyright laws of the United States

Market Drivers Impacting Age & Identity Verification

Comparing Two Worlds



In the bricks and mortar world age-restricted and age-sensitive protection standards are well established and enforced. We all know the steps such as comparing someone's physical appearance to an authentic and legal picture ID like a driver's license. However in the virtual world, most companies have not implemented appropriate age verification mechanisms and some have implemented inadequate methods. Depending on the reason for a verification, there are two methods some businesses use today to verify age - the honesty policy or by credit card authorization.

Both methods present obstacles and are not considered effective for protecting children online. Some of the reasons include:

- The honesty policy does not work - according to one study 31% of 7th-12th graders pretend to be older to get onto a website³
- Kids have their own credit cards
- Credit card authorization validates the card only, not that the person using the credit card is the rightful owner
- Credit card companies have issued guidelines saying credit cards are not a valid method of age verification and merchants selling age-restricted products need to have the appropriate controls in place to ensure that they abide by the laws governing these transactions

3. The Henry J Kaiser Family Foundation, *Generation M study: Media in the Lives of 8-18 year-olds*, March 2005, 30