



Mr. Same Levine
Director Bureau of Consumer Protection,
U.S. Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580

Via electronic delivery

16 September 2024

Subject: Alert to the Federal Trade Commission about unfair commercial practices in the video game industry

Dear Mr. Levine,

We are writing to you on behalf of the Transatlantic Consumer Dialogue (TACD) to bring your attention to several unfair and deceptive commercial practices used by leading video game companies (Activision Blizzard, Electronic Arts, Epic Games, Mojang Studios, Roblox Corporation, Supercell, and Ubisoft) marketing popular games (such as Fortnite, EA Sports FC 24, Minecraft, Clash of Clans, and others) affecting millions of consumers. Twenty-three consumer organisations in Europe have recently raised this issue with their respective authorities¹, and we believe that these practices merit agency action within the U.S.

Specifically, we have reason to believe that consumers fall prey to several unfair and deceptive practices when buying premium in-game currencies in video games, and that traders fail to provide consumers (in particular children) with safe online environments. Many video game systems have deeply embedded “virtual currency” systems within the game. These virtual currencies are linked to tactics that harm consumers, such as preventing users from seeing the real-world cost of digital items, leading them to overspend within the game; cloaking in-game purchases and currency use in manipulative language (“keep playing for \$2.99,” “unlock upgrades with Robux,” etc.); and preventing or making it prohibitively challenging for consumers to exercise rights around in-game currencies, such as refunds and exchanges.²

All of these practices increase in risk since these games have a high user demographic of children who are even more susceptible to manipulation. We believe that these practices constitute unfair practices under Section 5 of the FTC Act (15 USC 45). The deceptive design (dark patterns) and manipulative language that these companies use to obfuscate the true costs and risk of these virtual currency purchases constitute a practice likely to cause substantial injury to consumers not reasonably avoidable by those consumers and not outweighed by countervailing benefits to consumers or competition.³

We urge you to build on previous agency work, including FTC actions on deceptive in-game purchases,⁴ to address the unfair practices highlighted in this alert and to ensure that the rights of consumers - especially those of young consumers - are fully respected.

¹ <https://www.beuc.eu/game-over>

² See, e.g., *Consumer Spending on Gaming Loot Boxes and Currency Packs Worldwide from 2020 to 2025*, Statista (May 2021), <https://www.statista.com/statistics/829395/consumer-spending-loot-boxes-skins/>; *Money in Video Games: It's Virtually Everywhere!*, Northbrook Bank (July 2023), <https://www.northbrookbank.com/small-business/resources/financial-education/2023/07/money-in-video-games-its-virtually-everywhere.html>;

³ See 15 U.S.C. Sec. 45(n).

⁴ Tom Gerken, *Fortnite: Parents in US offered refunds for game purchases*, BBC (September 20, 2023), <https://www.bbc.com/news/technology-66866569>.

We remain at your disposal for any additional information you may need and to respond to any questions.

Sincerely,

Finn Lützow-Holm Myrstad

Director of Digital Policy, Norwegian Consumer Council
European Co-Chair of TACD's Digital policy committee

Calli Schroeder

Senior Counsel and Global Privacy Counsel, EPIC
U.S. Co-Chair of TACD's Digital policy committee

C/c

- FTC's ICPEN Presidency
- Stacy Procter, Counsel for International Consumer Protection, Office of International Affairs, U.S. Federal Trade Commission
- Laureen Kapin, Assistant Director for International Consumer Protection, U.S. Federal Trade Commission

Annexes:

- [Report](#) - Game OVER: Consumers fight for fairer in-game purchases (September 12, 2024) - A legal assessment of premium in-game currencies from a consumer law perspective.
- Annex I - Traders in-game purchasing processes with their premium in-game currencies
- Annex II - Unfair terms and conditions applied by game companies waiving consumer statutory rights or allowing them to "personalize" or "customize" consumers gaming experience.
- [Report](#) of Forbrukerrådet (the Norwegian Consumer Council) - GET PLAYED, The true cost of virtual currency.