

UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION MIDWEST REGION

55 West Monroe Street, Suite 1825 Chicago, Illinois 60603-5001

April 2, 2010

## VIA FEDERAL EXPRESS

David A. Zetoony, Esq. Counsel for Bidz.com, Inc. Bryan Cave LLP 1155 F Street N.W. Washington, DC 20004

Re: Bidz.com, Inc., FTC Matter No. 0923090

Dear Mr. Zetoony:

As you know, the staff of the Federal Trade Commission's Midwest Region has conducted a non-public investigation into violations by your client, Bidz.com, Inc. ("Bidz.com"), of various provisions of the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 ("CAN-SPAM"), 15 U.S.C. § 7701, *et seq.*, relating to the advertising, marketing, and promotion of Bidz.com and its products through the use of commercial electronic mail ("e-mail") messages.

Specifically, our inquiry focused on the failures of Bidz.com and its network of e-mail marketers to honor opt-out requests by individuals who wanted to stop receiving commercial e-mail messages sent by or on behalf of Bidz.com. As you know, Section 5(a)(3) of CAN-SPAM, 15 U.S.C. § 7704(a)(3), requires, among other things, that commercial e-mail messages contain a functioning return e-mail address or other Internet-based mechanism that recipients of the message may use to request not to receive future commercial e-mail messages from the sender. Section 5(a)(4)(A) of CAN-SPAM, 15 U.S.C. § 7704(a)(4)(A), prohibits a sender, or any person acting on behalf of the sender, from transmitting a commercial e-mail message to any person who has requested to opt-out from receiving such commercial e-mail messages more than 10 business days after the receipt of such request.

Upon careful review of this matter, we have decided not to recommend enforcement action at this time. We note that before being contacted by the Federal Trade Commission, Bidz.com implemented more stringent suppression list controls to facilitate honoring opt-out requests. Although we are not presently recommending enforcement action, the staff will continue to monitor Bidz.com's marketing activities to ensure full and complete compliance with CAN-SPAM.

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The staff's determination not to recommend enforcement action should not be construed as a determination that violations may not have occurred, just as the pendency of an investigation should not be construed as a determination that violations have occurred. The Commission reserves the right to take such further action as the public interest may require.

Sincerely,

C. Steven Baker Director Federal Trade Commission Midwest Region