

Butterfly Labs Twitter Chat

On Tues., Sept. 23, 2014, [FTC staff announced a complaint against Butterfly Labs](#), which was the agency's first case related to Bitcoins. Staff attorneys Helen Wong and Leah Frazier answered questions on Twitter using the @FTC Twitter account, and the hashtag: #AskFTC.

Note: Tweets in their original order and without handles redacted, remain publicly available on the Commission's Twitter account.

FTC staff will answer questions about our case with Butterfly Labs today. Send us Qs & join the conversation at 3pm ET. Use #AskFTC.

We are hosting a Twitter chat on Butterfly Labs now. Learn more about FTC chats:

<http://go.usa.gov/d2aF> Case: <http://go.usa.gov/drfh> #AskFTC

This is Helen Wong & Leah Frazier from the FTC's Division of Financial Practices - staff attorneys on the case. What can we answer? #AskFTC

Q1 RT @stbloomfield: I was in the queue for refund from Butterfly Labs, how can that happen now? #AskFTC

A1 BFL accts are frozen until 9/29 when court holds hearing on future status of company. A temporary receiver is in place. #AskFTC

Q2 RT @mattmilsap Why are you still able to purchase a #Bitcoin miner from Butterfly Labs as of this tweet? #AskFTC

A2 The accounts are frozen and should not be accepting payments. #AskFTC

Q3 MT @UllerRM Were you aware Sonny Vleisides (CEO of Butterfly Labs) is currently on probation for prior conviction of mail fraud? #AskFTC

A3 Yes. That was referenced in our court filings. #AskFTC

Q4 MT @HeartWoody FTC is suing Butterfly Labs for their criminal business practices! #askFTC will consumers get their \$ back from this case?

A4 We are a civil enforcement agency, not criminal. Our goal is to provide consumer refunds as a result of this case. #AskFTC

Q5 RT @panzertime @FTC so... How long until you just do the right thing and ban bit coins outright? #AskFTC

A5 This case is not about whether #bitcoins are good or bad, but about a company not fulfilling its promises to consumers. #askFTC

Q6 RT @TheCEO10 #AskFTC What time is the hearing on September 29? A6 Hearing is at 9am.

Q7 MT @fermuration Was BFL purchase of <http://Buttcoin.org> through Jeff Ownby done with company funds? #AskFTC

A7 We ref this purchase in our filings, but its still early in the case. We anticipate learning more as case continues. #AskFTC

Hi everyone - we're getting a lot of questions about refunds. See: <https://twitter.com/FTC/status/514490536846426112> #AskFTC

Q8 MT @CoinProLite Is FTC aware of myriad hidden #Bitcoin wallet addresses that BFL controls? #AskFTC Do you need help in uncovering them?

A8 We've conducted a financial review & we are tracing the company's assets. #AskFTC

Q9 RT @CollegeCrypto @FTC Can @CollegeCrypto, an educational NPO, receive rest of @ButterflyLabs' #bitcoin development fund? #AskFTC

A9 Same answer as Q1 (refunds): BFL accts are frozen until 9/29 when court holds hearing on future status of company. #AskFTC

@btcdrak Hi, please see earlier answer: [https://twitter.com/FTC/status/514491385920372736 ...](https://twitter.com/FTC/status/514491385920372736) #AskFTC

Q10 MT @ButtCoin when all said & done can we have full control of <http://buttcoin.org> back? we'd like 2 correct articles abt BFL #AskFTC

A10 All of BFL's assets are under temporary receivership. #AskFTC

Q11 RT @dantechreed On average, how long did it take them to deliver products when they did deliver them? #AskFTC

A11 In many instances products were severely delayed, sometimes as long as a year. #AskFTC

Q12 RT @adrjeffries How much money did BFL take from customers? #AskFTC

A12 At least \$20 million, and potentially up to \$50 million. #AskFTC

Thanks for your questions so far! We are answering them for 15 more minutes. #AskFTC

Q13 MT @ProgressUp Please can you address the same fraud perpetrated by KnCminer? I paid them upfront six months ago refund denied. #AskFTC

A13 If you have a complaint about a business, please file it at <http://www.ftc.gov/complaint>. #AskFTC

Q14 RT @kashill How many customers actually received equipment from BFL? How many ordered equipment? #AskFTC

A14 Thousands of orders were placed, and thousands of consumers have complained about non-delivery. #AskFTC

Q15 RT @puffkind Approximately how many complaints did FTC receive about BFL? #AskFTC

A15 We received more than 300 complaints directly to the FTC. Plus, we reviewed thousands more from other sources. #AskFTC

@dogiecoin Hi, please see earlier answer:

<https://twitter.com/FTC/status/514490536846426112> Thanks! #AskFTC

@alaskabrat007 The FTC announced a case today against Butterfly Labs (BFL). Learn more in our press release: <http://go.usa.gov/drfh> #AskFTC

We'll take one more question. #AskFTC

Q16 MT @dogiecoin Do you believe case against BFL is strong enough to receive permanent injunction on 29th? Is that the final aim? #AskFTC

A16 The hearing on Sept 29th is for preliminary injunction. We believe our case is strong. #AskFTC

That's all the time we have for questions. Complaints about BFL or other companies? File them here: <http://ftc.gov/complaint> #AskFTC

Thank you everyone for participating in our chat! #AskFTC