



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

October 1, 2009

Gilles BianRosa, CEO
Vuze, Inc.
471 Emerson Street
Palo Alto, CA 94301

Re: Inadvertent Sharing Protection Working Group Voluntary Best Practices Compliance

Dear Mr. BianRosa:

In July 2008, numerous distributors of peer-to-peer file-sharing applications, including Vuze, Inc., agreed to abide by a set of guidelines (hereafter “Voluntary Best Practices”), created by the Distributed Computing Industry Association, to minimize the inadvertent sharing of sensitive files over peer-to-peer networks. The staff of the U.S. Federal Trade Commission’s Division of Advertising Practices has recently reviewed and analyzed the Vuze software application, version 4.2, to determine if it complies with the Voluntary Best Practices. This letter sets forth the results of that review.

The staff’s tests show that the program does not comply with the Voluntary Best Practices in the following ways:

- Section (4)(A), which requires clear, timely, and conspicuous warnings that folders often used to store personal or sensitive data, such as “My Documents,” may contain sensitive or personal files. The Vuze program appears to provide no warnings whatsoever that would alert users about the potentially sensitive nature of the files contained in the folder being shared;
- Section (4)(B), which requires that any attempt to share a complete drive (e.g., the C: or D: drive, a network drive, or external drive) or a user-specific system folder (e.g., a “Documents and Settings” folder in Windows) be prevented. The Vuze program allows users to create and share torrent files of complete drives, and system folders; and
- Section (5)(A), which requires that users take affirmative steps to change the default settings to enable the sharing of files with sensitive file types. By default, the Vuze program allows users to create and share torrent files of any file type, including sensitive file types.

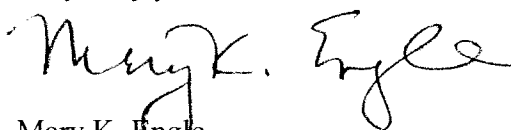
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We also have concerns about the Classic Share feature available in the Intermediate and Advanced modes of the Vuze program, which potentially can allow for the simultaneous, large-scale creation and sharing of torrent files in a recursive manner without meaningful warning or explanation. While the Classic Share feature is not part of the default setting, when it is turned on, no information is given to the user about what it does or how it works. The potential for users to share their entire C: drive recursively, for example, without being able to stop the process easily, is an area of concern for the FTC staff.

We have discussed the above concerns with you and your counsel, and understand that it is your position that these particular provisions of the Voluntary Best Practices do not apply to the Vuze software application because of the nature of how the application functions. We recognize that the Vuze software application runs on the BitTorrent protocol, and that the risk of users inadvertently sharing files using a BitTorrent client is low under typical circumstances. We also recognize that the Vuze software application does not offer users the functionality to publish or share their files. To publish or share a file would require the user to perform an action outside of the Vuze software application. Nevertheless, fully integrating some of the protections, and the warnings required by the Voluntary Best Practices, which you have agreed to abide by, will further minimize the risk of consumers inadvertently sharing files elsewhere, after having created torrents using the Vuze software application.

During our conversation, you indicated your willingness to work with the FTC staff to implement modifications to further safeguard its software application in line with the goals of the Voluntary Best Practices. We look forward to working with you as you do so. We will contact you soon to determine your plans for implementing these changes, as well as your anticipated time frame for doing so. In the meantime, please call Stacey Ferguson at (202) 326-2361 if you have any questions.

Very truly yours,



Mary K. Engle
Associate Director
Division of Advertising Practices

cc: Markham C. Erickson, Holch & Erickson LLP
Marty Lafferty, Distributed Computing Industry Association