

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

December 10, 2009

Eric Klinker, CEO BitTorrent, Inc. 201 Mission, 9th Floor San Francisco, CA 94105

Re: <u>Inadvertent Sharing Protection Working Group Voluntary Best Practices</u>

Compliance

Dear Mr. Klinker:

In July 2008, numerous distributors of peer-to-peer file-sharing applications, including BitTorrent, 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 uTorrent (version 1.8.4 build 16150), to determine if it complies with the Voluntary Best Practices. This letter sets forth the results of that review.

We recognize that the uTorrent software application operates differently than some other peer-to-peer file-sharing applications in that it operates on the BitTorrent protocol (as opposed to the Gnutella protocol), allowing users to download portions of a file simultaneously from multiple users through the use of small files, called torrents. These torrent files contain information about the piece of media that a user wishes to share; however, they do not contain the media itself. Users must take the affirmative step of creating a torrent file and then "seed" it to a network to be shared. When another user downloads and opens the torrent file using a BitTorrent client, a connection is then made between the seeder's computer and that downloader's computer, allowing the file to be shared.

The nature of the BitTorrent clients make it less likely that a user would inadvertently share sensitive files, as several affirmative steps are required in order to create and share torrent files. Also, uTorrent does not search users' hard drives by default or automatically create torrent files. Nor does the software application provide any means for users to search another user's hard drive for torrent files. Nevertheless, potential risks do exist. Accordingly, to further minimize the risk of consumers inadvertently sharing files, it is important that the uTorrent software application comply with the Voluntary Best Practices. The staff's tests show that the program does not comply with the Voluntary Best Practices in the following ways:

- Section (3), which requires the software application to disable recursive sharing of folders by default and to be enabled only once the user takes affirmative steps. Further, the software application must provide clear and precise options to control recursive sharing once enabled. The software application should also conspicuously note all subfolders to be shared. The uTorrent software application does not provide notice to users that they may be sharing folders and sub-folders recursively or provide users with a mechanism by which to control recursive sharing;
- Section (5), which requires that the software application prevent sensitive file types from being shared over the P2P network, unless the user takes affirmative action to change the default settings to allow for sensitive file types to be shared. The software application also must provide users with a simple way to stop sharing sensitive file types. The uTorrent software application does not prevent sensitive file types from being shared, nor does it provide users with a way to stop sharing these types of files. The program does not offer any warning to users attempting to create torrent files to share sensitive file types; and
- Section (6), which requires the software application to present users with a clear and conspicuous warning specifying the number of files being shared and a prominent warning when a large number of files or folders is shared. The uTorrent software application does not provide users with warnings regarding the number of files included in a torrent, or the number of directories that are recursively added to the torrent file.

We urge BitTorrent to make the modifications necessary to honor its commitment to comply with the Voluntary Best Practices. 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: Marty Lafferty, Distributed Computing Industry Association