

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

Division of Advertising Practices

October 26, 2009

Rick Buonincontri, CEO Solid State Networks, Inc. 1505 West University Drive Suite 104 Tempe, AZ 85281

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

Dear Mr. Buonincontri:

In July 2008, numerous distributors of peer-to-peer file-sharing applications, including Solid State Networks, 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 latest version of the Solid State Networks software application to determine if it complies with the Voluntary Best Practices. This letter sets forth the results of that review.

We recognize that the Solid State Networks software application operates differently than some other peer-to-peer file-sharing applications in that it is a content distribution network for distributing game files. Only game files that have been provided to Solid State Networks' servers from Solid State Network's customers are shared. The program operates as a game download manager, and does not have a mechanism for users to share user-originated files or personal information. The "peer-to-peer option" of the download manager allows users to share only parts of a specific file that is downloaded from the Solid State Network, and not other files.

The majority of the Voluntary Best Practices are not relevant to the Solid State Networks software application, as it does not send or receive user-originated files. Nevertheless, users can redistribute downloaded game files with the network. Accordingly, to minimize the risk of consumers inadvertently sharing files, it is important that the Solid States Networks 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 way:

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> • Section (1), which requires the software application to disclose to users, clearly and conspicuously in advance, if files the user downloads are being redistributed to the P2P network. The Solid State Networks software application does not provide notice to users that they may be uploading or sharing parts of the file that they downloaded to other users on the network.

We urge Solid State Networks 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 X. Ergle Mary K. Engle

Associate Director Division of Advertising Practices

cc: Marty Lafferty, Distributed Computing Industry Association