

UNITED STATES OF AMERICA Federal Trade Commission WASHINGTON, D.C. 20580

Bureau of Consumer Protection Division of Privacy and Identity Protection

April 17, 2023

Via Electronic Mail (lbrett@bbbnp.org)
Laura Brett, Esq.
Vice President
National Advertising Division
112 Madison Avenue, 3rd Floor
New York, NY 10016

Re: Advertising for Zscaler Zero Trust Exchange Platform

Dear Ms. Brett:

We have reviewed the National Advertising Division's referral of Palo Alto Network's challenge regarding advertising by Zscaler, Inc. ("Zscaler") for its Zero Trust Exchange Platform. In your November 30, 2022, referral letter, you advised us that Zscaler raised only jurisdictional arguments in its initial response to the challenge, and then declined to further participate in the NAD process. NAD issued a decision finding that it did have jurisdiction over the matter and that Zscaler's challenged claims were not substantiated. You then referred this matter to the Federal Trade Commission for our review.

Upon careful review of this referral, we have determined not to take additional action at this time. In reaching this conclusion, we considered a number of factors including resource allocation and enforcement priorities, the nature of any FTC Act violation, and the type and severity of any consumer injury.

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The staff's decision to forego a formal investigation at this time is not to be construed as a determination that a violation may not have occurred, just as the pendency of an investigation should not be construed as a determination that a violation has occurred. The Commission reserves the right to take such further action as the public interest may require. The Commission appreciates your referral and the opportunity to continue to assist in supporting the NAD.

Sincerely,

Benjamin Wiseman

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Acting Associate Director

Division of Privacy and Identity Protection