

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION

_____)	
In the Matter of)	
)	
BONZI SOFTWARE, INC.,)	DOCKET NO.
a corporation, and)	
)	
JOE BONZI and JAY BONZI,)	
individually and as)	
officers of said corporation.)	
_____)	

COMPLAINT

The Federal Trade Commission, having reason to believe that Bonzi Software, Inc., a corporation, and Joe Bonzi and Jay Bonzi, individually and as officers of said corporation (“respondents”), have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent Bonzi Software, Inc., a Delaware corporation, is a privately owned company with its principal office and place of business located at 3000 Broad Street, Suite 115, San Luis Obispo, California 93401.

Respondents Joe Bonzi and Jay Bonzi are the founders, owners, and officers of the corporate respondent. Individually, or in concert with others, they formulate, direct, and control the acts and practices of the corporate respondent, including the acts and practices alleged in this complaint.

2. The acts and practices of respondents as alleged in this complaint have been in or affecting commerce, as “commerce” is defined in Section 4 of the Federal Trade Commission Act.

3. Respondents develop, advertise, sell, license, and distribute various software products, including “InternetALERT.” InternetALERT is software that monitors Internet traffic entering a consumer’s computer and provides alerts when an attacker attempts to access the computer from the Internet without the consumer’s knowledge or permission. InternetALERT is offered for sale, sold, distributed, and licensed by respondents primarily through respondents’ Web site www.bonzi.com at the price of \$49 for a one-year subscription.

4. Respondents promote InternetALERT software on the Internet through banner, button,

and pop-up ads, which, when clicked, transfer consumers to one of several Web pages advertising the software. These click-through Web pages, or landing pages, link to the respondents' Web site www.bonzi.com, where consumers can download InternetALERT from the Internet. Respondents also promote the software during the software's installation process.

5. Respondents have disseminated, or have caused to be disseminated, banner, button, and pop-up advertisements for the InternetALERT software, including, but not limited to, those attached as Exhibits A through C:



Exhibit A

Exhibit A, button ad
www.mallbusters.com/internet_alert.htm

located at



Exhibit C



Exhibit C, pop-up ad located at www.bonzi.com/internetalert/ia99.asp (as of April 1, 2003).

immediate access to the full version of Internet**ALERT** and in minutes make your computer safe and secure against Internet attackers!

* * *

Protect My System Against Attackers – Download Now!”

Exhibit E: Form entitled “InternetALERT Secure Order Form” that initiates the download process for InternetALERT software, located at <https://secure.bonzi.com/secure/securedownloadia9sub.asp>

12. Through the means described in Paragraphs 5 through 7, respondents have represented, expressly or by implication, that InternetALERT significantly reduces the risk of unauthorized access into computers and the data stored in them.

13. In truth and in fact, InternetALERT does not significantly reduce the risk of unauthorized access into computers and the data stored in them. InternetALERT does not significantly reduce the risk of unauthorized access into computers because it provides only limited protection against intrusion into computers, as described in Paragraphs 9 through 11 above. Moreover, InternetALERT does not provide other security features that can significantly reduce the risk to data stored in computers, such as features that prevent personally identifiable information stored in a computer from being sent over the Internet without a consumer's knowledge or consent, or that provide computer virus protection.

14. The acts and practices of respondents as alleged in this complaint constitute unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

THEREFORE, the Federal Trade Commission this day of , 2004, has issued this complaint against respondents.

By the Commission.

Donald S. Clark
Secretary