ANALYSIS OF PROPOSED CONSENT ORDER TO AID PUBLIC COMMENT

In the Matter of Zango, Inc., formerly known as 180solutions, Inc., Keith Smith, and Daniel Todd, File No. 052 3130

The Federal Trade Commission has accepted, subject to final approval, an agreement containing a consent order from proposed respondents Zango, Inc., formerly known as 180solutions, Inc. and Keith Smith and Daniel Todd, individually and as officers of Zango, Inc. (together "Respondents"). The proposed consent order has been placed on the public record for n

The Commission's complaint further alleges that Respondents, until at least mid-2005, made identifying, locating, and removing their adware extremely difficult for consumers. Among other things, Respondents: installed code on consumers' computers that would enable their adware to be reinstalled silently after consumers attempted to uninstall or remove it; failed to identify adequately the name or source of the adware in pop-up ads so as to enable consumers to locate the adware on their computers; named adware files or processes with names resembling core systems software or applications and placing files in a variety of locations; listed the adware in the Windows Add/Remove utility under names intended and/or likely to confuse consumers; required consumers to have a live Internet connection and download additional software from Respondents to uninstall the adware; represented to consumers that the adware did not show pop-up ads and/or exaggerated the consequences of uninstalling the adware; provided uninstall tools that failed to uninstall the adware in whole or part; and/or reinstalled the adware files on consumers' computers with randomly generated names to avoid further detection and removal.

Deception Allegation

The Commission's complaint alleges that by offering content over the Internet such as browser upgrades, utilities, games, screensavers, peer-to-peer file sharing software and/or entertainment content, without disclosing adequately that this content was bundled with Respondents' adware, Respondents committed a deceptive practice. The bundling of Respondents' adware, which monitors their Internet use and causes them to receive pop-up advertisements, would be material to consumers in their decision whether to download the other software programs and/or content.

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