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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

UNITED STATES OF AMERICA,

Plaintiff,

v.

AMAZON.COM, INC., a corporation, and

AMAZON.COM SERVICES LLC, a
limited liability company,

Defendants.

Case No. _____

**COMPLAINT FOR PERMANENT
INJUNCTION, CIVIL PENALTIES,
AND OTHER RELIEF**

Plaintiff, the United States of America, acting upon notification and authorization to the
Attorney General by the Federal Trade Commission (“FTC” or “Commission”), for its

1 5. Amazon’s privacy disclosures assert that it designed Alexa with privacy in mind,
2 that Amazon will delete users’ voice and geolocation data (and children’s voice data) upon
3 request, and that Amazon carefully limits access to voice data. But until September 2019,
4 Amazon retained children’s voice recordings and transcripts indefinitely unless a parent actively
5 deleted them. Alexa’s default settings still save children’s (and adults’) voice recordings and
6 transcripts forever, even when a child no longer uses his Alexa profile and it has been inactive
7 for years. As a result, Amazon has retained children’s personal information of thousands of children
8 who are not even using their Alexa accounts, in violation of COPPA’s prohibition on retaining
9 children’s personal information longer than is reasonably necessary to fulfill the purposes for
10 which the information is collected.

11 6. Amazon also failed for a significant period of time to honor parents’ requests that
12 it delete their children’s voice recordings by continuing to retain the transcripts of those
13 recordings and failing to disclose that it was doing so, also in violation of COPPA. Finally,
14 Amazon failed to delete users’ voice information and geolocation information upon request and
15 instead retained that data for its own potential use. Such unfair and deceptive practices violate
16 Section 5 of the FTC Act.

17 Section 5 of the FTC Act. thf -0.0008 Tc 0.001cSa616es2qTNUE 2

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1 holding company that conducts business through subsidiaries, including Defendant
2 Amazon.com Services LLC (collectively, “Amazon”).

3 10. Amazon.com, Inc. transacts or has transacted business in this District and
4 throughout the United States.

5 11. Defendant Amazon.com Services LLC (“Amazon.com Services”) is a Delaware
6 corporation, with its principal place of business at 410 Terry Avenue, Seattle, Washington
7 98109. Amazon.com Services is a wholly owned subsidiary of Amazon.com, Inc. that provides
8 services related to the processing of voice and location data to Amazon.com, Inc.
9 Amazon.com Services transacts or has transacted business in this District and throughout the
10 United States.

11 12. At all times material to this Complaint, acting alone or in concert with others,
12 Amazon has advertised, marketed, distributed, or sold voice-enabled smart speakers, including
13 smart speakers directed to children under 13 years of age, and related mobile applications to
14 consumers throughout the United States.

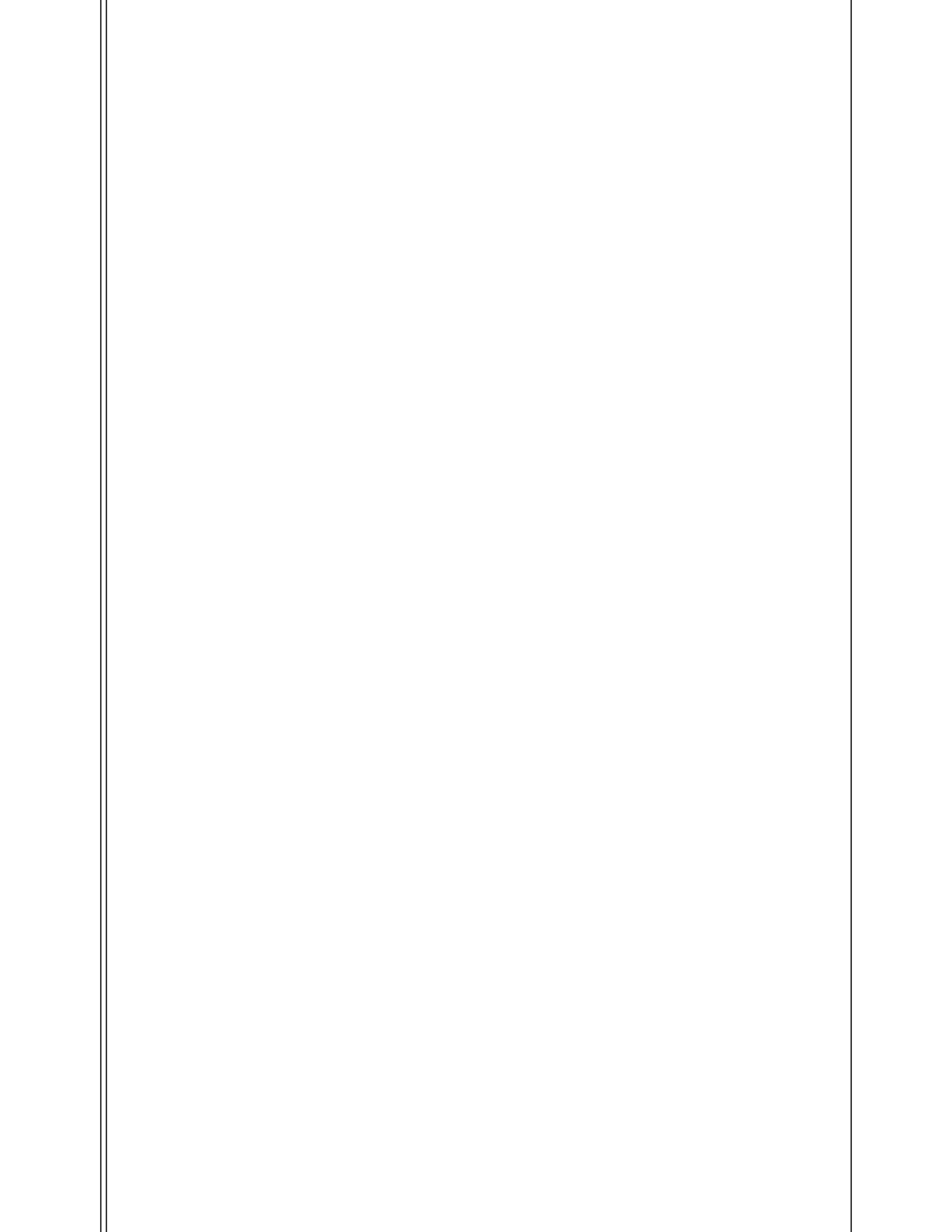
15 COMMERCE

16 13. At all times material to this Complaint, Defendants have maintained a substantial
17 course of trade in or affecting commerce, as “commerce” is defined in Section 4 of the FTC Act,
18 15 U.S.C. § 44.

19 AMAZON’S BUSINESS PRACTICES

20 14. Amazon is a multinational technology company with more than 1.4 million
21 employees and annual revenues exceeding \$380 billion.

22 15. Since 2014, Amazon has developed, manufactured, and sold Internet-connected
23 speakers, branded as Amazon “Echo” devices, controlled by Amazon’s proprietary cloud-based
24



20. In May 2018, Amazon launched several Alexa-enabled offerings designed specifically for children: (1) a smart speaker called the “Echo Dot Kids Edition,” which cost approximately \$70; (2) a free personalized service called “FreeTime on Alexa,” which enables parents to control the content that children can access through Alexa and how their children can use compatible Echo devices; and (3) a parent subscription service (ranging from \$2.99 per month to \$99 per year) called “FreeTime Unlimited on Alexa,” which provides access to child-oriented audio books, character apps, and “kid skills” (i.e., audio-based Alexa applications such as voice-controlled games, stories, jokes, educational tools). A one-year subscription to FreeTime Unlimited has been included with the purchase of an Echo Dot Kids Edition.

21. To use these products, a parent creates a profile for their child that links to the parent’s profile and contains the child’s name, birth date, and gender. More than 800,000 children interact directly with Alexa using their own Amazon profile. Amazon saves children’s voice recordings as audio and text files and uses persistent identifiers to connect these audio and text files to the child’s Amazon profile. In addition, through a feature initially called “Remember This” and then called “Notes,” Amazon saves various “memories”—content that children may instruct Alexa to remember.

22. Children’s unique speech patterns and accents differ from adults, and their voice recordings provide Amazon with a valuable data bank for training the Alexa algorithm to understand children.

Amazon’s Default Settings Retain Children’s Voice Recordings Indefinitely

23. Since launching its first Echo smart speaker, Amazon has set its default settings to retain users’ voice recordings indefinitely. Until September 2018, a parent who sought to delete their child’s voice recordings had to navigate Amazon’s online deletion options or contact Amazon customer service. Starting in September 2019, two months after receiving an initial

1 Civil Investigative Demand from the FTC, Amazon offered a new feature that allowed users to
2 auto-delete voice recordings at regular intervals of three- or eight-months, while still
3 retaining the indefinite retention default setting.

4 24. Amazon claims that it retains children’s voice recordings in perpetuity for three
5 reasons: to respond to children’s voice commands, to enable parents to review their children’s
6 old voice recordings; and to improve Alexa’s speech recognition and processing capabilities.

7 25. For Alexa to recognize and process a child’s voice request, it is not reasonably
8 necessary to retain that child’s voice recordings forever. Amazon only needs to retain a voice
9 recording for a few seconds to respond to the request that the child has just made. While parents
10 may wish to review and supervise their child’s interactions with Alexa by accessing the stored
11 recordings, storing those recordings forever is not reasonably necessary for that purpose either.
12 Nor is the indefinite retention of children’s voice recordings reasonably necessary for Amazon to
13 continue improving Alexa’s speech recognition and processing capabilities.

14 Amazon Misled Alexa Users About Their Ability
15 to Delete Voice Recordings Collected by Alexa

16 26. Amazon has told parents whose children use the Echo Dot Kids Edition,
17 FreeTime on Alexa, and FreeTime Unlimited on Alexa that they can delete their child’s personal
18 information at any time. Amazon specifically assures parents that they can exercise control over
19 their children’s voice recordings. It provides a “Children’s Privacy Disclosure” to every parent
20 who sets up a child account, directing parents interested in deletion to contact Amazon’s
21 customer service or to visit the “Manage Parent Consent” page on Amazon’s website. That
22 page directs parents to the Alexa Privacy Settings webpage and Frequently Asked Questions
23 webpage.

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1 27. The Alexa Privacy Settings webpage tells consumers (including parents) that they
2 can “[v]iew, hear, and delete [their] voice recordings at any time.” The instructions state that
3 Alexa users “have control over all of [their] voice recordings and can delete their voice
4 recordings “one by one, all at once, or by enabling auto-delete at any time.” Amazon’s
5 Frequently Asked Questions reinforce this assertion.

6 28. However, until mid-2019, Amazon’s practice was to delete the requested voice
7 recordings but keep written transcripts of those recordings. Specifically, when users requested
8 deletion of their voice recordings or when parents used the Alexa Privacy Hub or the Alexa App
9 to delete their children’s voice recordings, Alexa deleted their voice recordings but retained
10 written transcripts of those recordings in its data stores. Those transcripts remained
11 available for Amazon’s benefit and use for product improvement. But Amazon did not alert the
12 user or parent that Amazon was keeping the written transcripts and using them for
13 product improvement. In fact, when the user selected “delete recording,” the “play” button for
14 the recording and the written transcript disappeared, suggesting that both the audio and text files had
15 been deleted. Accordingly, in many instances, Amazon kept users’ or children’s written
16 transcripts after users or parents requested deletion of the voice recordings associated with those
17 transcripts and did not inform Alexa users or parents that it had done so. Amazon used children’s
18 recordings—both audio files and transcripts—for purposes such as refining Alexa’s voice
19 recognition and natural language processing capabilities.

20 29. Additionally, between August 2018 and September 2019, Amazon Alexa users’
21 voice recordings were accessible to 30,000 employees—approximately 15,000 of whom
22 lacked any business need for such access. Indeed, many of these employees did not even work on
23 Alexa-enabled products. This overbroad grant of access violated Amazon’s own “least
24 permission” policies, which prohibit granting access to sensitive data beyond what is needed for

1 a particular job function.

2 Amazon Misled Alexa App Users About Their
3 Ability to Delete Geolocation Information

4 30. The Alexa App purportedly allows users to control Amazon's collection, use, and
5 storage of their geolocation information. Amazon also tells users that they can delete their
6 geolocation information at any time using its "Manage Your Content and Devices" feature.

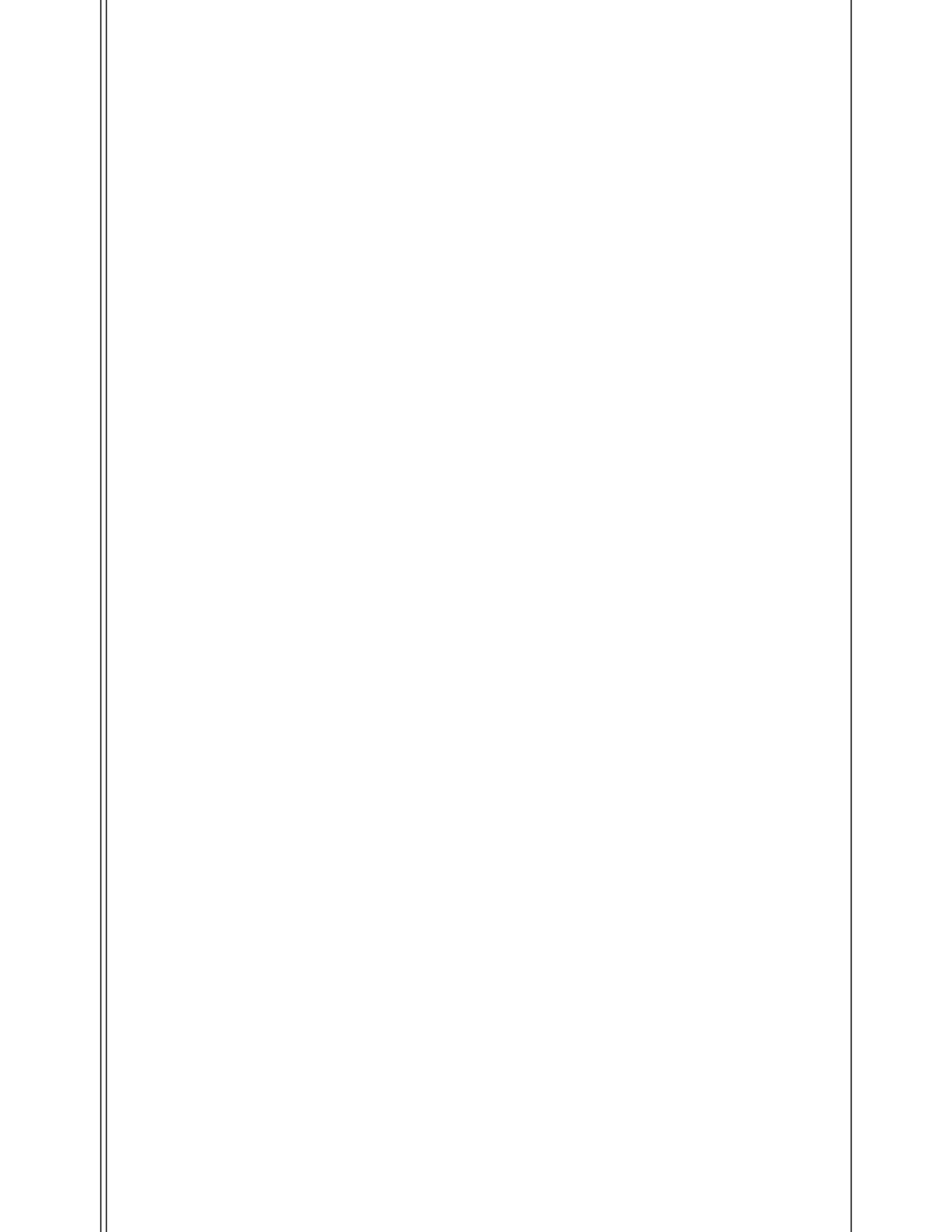
7 31. But Amazon did not delete all of the geolocation information of Alexa App users
8 who requested it. Amazon itself determined that on many occasions between January 2018 and
9 early 2022, Amazon retained Alexa App users' geolocation information in secondary data
10 storage locations that were insulated from consumers' deletion requests. Amazon employees
11 regularly used data in these locations to improve Alexa. Amazon repeatedly "discovered" this
12 problem yet failed to correct it. Specifically, Amazon first discovered the issue in February 2018,
13 erroneously treated it as "corrected" in October 2018, discovered in April 2019 that it had not
14 actually been corrected, and finally took corrective action in September 2019. Even then,
15 however, Amazon discovered additional deletion errors preventing the deletion of Alexa App
16 users' geolocation information according to users' requests in September 2019, August 2020,
17 September 2020, February 2021, and early 2022. As a result of these repeated failures, Amazon
18 continued to store some Alexa App users' geolocation information contrary to their deletion
19 requests into early 2022. To date, Amazon has never informed Alexa App users that it retained
20 geolocation data that they tried to delete.

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Count II

Deception – Amazon Falsely Represented that Alexa Users Could Delete Their or Their Child’s Voice Recordings

43. Paragraphs 1 through 38 are incorporated as if set forth herein.

44. In connection with the advertising, marketing, promotion, offering for sale, or sale of Alexa-enabled devices and applications, Amazon regularly represents that Alexa App users or parents can delete their own or their children’s voice recordings, implicitly including all audio files and transcripts.

45. In fact, in numerous instances, Alexa users requested that Amazon delete their own or their children’s voice recordings, but Amazon failed to do so.

46. Amazon’s representations that it would delete the voice recordings of users or their children were false and misleading and constitute deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

Count III

Unfair Privacy Practices

47. Paragraphs 1 through 38 are incorporated as if set forth herein.

48. In numerous instances as described in Paragraph 32, Amazon failed to take reasonable steps to protect the privacy of Alexa users’ geolocation and voice recordings.

49. Amazon’s actions and omissions caused or likely to cause substantial injury to consumers that consumers cannot reasonably avoid themselves and that is not outweighed by countervailing benefits to consumers or competition.

50. Therefore, Amazon’s acts or practices set forth in Paragraph 32 constitute unfair acts or practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45(a), (n).

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1 53. Among other things, the Rule requires subject operators to meet specific
2 requirements related to collecting, using, or disclosing personal information from children,
3 including but not limited to:

- 4 a. Providing a notice on their website or ~~online~~ service that, along with other
5 required content, states parents may have deleted their child's personal
6 information, and the procedures for doing so (16 C.F.R. § 312.4(d)(3))—
7 which notice must be clearly and understandably written, complete, and must
8 contain no unrelated, confusing, or contradictory materials (16 C.F.R.
9 § 312.4(a));
- 10 b. Providing the parent with the opportunity any time to delete the child's
11 personal information (16 C.F.R. § 312.6(a)(2)); and
- 12 c. Retaining personal information collected from children online only as long as
13 is reasonably necessary to fulfill the purpose for which the information was
14 collected (16 C.F.R. § 312.10).

15 54. Amazon is an “operator” subject to the Rule, 16 C.F.R. § 312.2. Amazon
16 operates the online services Echo Dot Kids Edition with FreeTime on Alexa and FreeTime
17 Unlimited, both of which are directed to children under 13. Through the Echo Dot Kids Edition
18 with FreeTime on Alexa and/or FreeTime Unlimited, Amazon collects personal information as
19 defined in the COPPA Rule from children under 13, including voice recordings and transcripts
20 concerning the child combined with a persistent identifier.

21 Count IV

22 COPPA – Amazon Failed to Provide Complete Truthful Notice to Parents, Failed to Give
23 Parents an Effective Opportunity to Delete Children's Voice Recordings
and Retained Children's Voice Recordings Indefinitely

24 55. Paragraphs 1 through 38 are incorporated as if set forth herein.

