



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

August 7, 2001

Mr. Marc Rotenberg
Executive Director
Mr. David L. Sobel
General Counsel
Electronic Privacy Information Center
1718 Connecticut Avenue, N.W.
Suite 200
Washington, D.C. 20009

Dear Messrs. Rotenberg and Sobel:

Thank you for your July 26, 2001 complaint requesting that the Commission investigate various information practices of Microsoft Corporation in connection with its Passport, Hotmail, and Windows XP products and services. You are concerned that Microsoft's actions violate Section 5 of the FTC Act.

The Federal Trade Commission Act, 15 U.S.C. § 45, prohibits deceptive or unfair trade practices and authorizes the Commission to take action against those practices. As you know, the FTC has taken an active role in the past several years in the development of consumers' privacy rights online. In this regard, the Commission has held numerous public forums and issued several reports concerning online privacy, and has brought several law enforcement initiatives to address deceptive information collection practices online.

Complaints such as yours are a helpful means of reviewing possible unfair or deceptive privacy practices, and we appreciate your bringing this matter to our attention. We will evaluate your complaint to determine what action, if any, would be appropriate in this case. Please be advised that any Commission investigation is non-public until the Commission decides to issue a formal complaint. As a result, we will not be able to advise EPIC and the other complainants of our decision as to whether to investigate the matter.

Again, I thank you for your interest in the Commission's role in protecting consumer privacy. Please let me know whenever I can be of assistance.

Sincerely,

A handwritten signature in black ink that reads "Bradley H. Blower".

Bradley H. Blower
Assistant Director
Division of Financial Practices