

# United States Senate

WASHINGTON, DC 20510

February 25, 2025

The Honorable Andrew Ferguson  
Chair  
U.S. Federal Trade Commission  
600 Pennsylvania Avenue NW  
Washington, D.C. 20580

Dear Chair Ferguson:

Congratulations on your appointment as Chair of the Federal Trade Commission (FTC). As you implement your agenda for the incoming administration, I urge you to issue guidance to ensure that consumers who purchase or license digital goods can make informed decisions and understand what ownership rights they are obtaining.

Over the last several years, the market for creative works—such as books, music, movies, and games—has undergone a major shift from physical to digital, raising questions about how traditional consumer protections and legal paradigms translate into the digital environment. A consumer who buys a book, for example, owns that copy and can sell, transfer, and continue to access it in perpetuity. But a consumer who “purchases” the same title as an e-book is usually obtaining a license, subject to certain limitations by the seller. As the FTC noted in a “Consumer Alert” from last year, “what [a consumer] really got when [he or she] clicked ‘buy’ is often merely a license to access the content. This fact is often explained only in fine print in the terms of service — terms that the seller can usually change at will.”<sup>1</sup> The lack of transparency works against consumers, who are paying more but getting less than they expect, as well as missing a chance to comparison shop and seek “another site or service with different terms, or even something [they] can hold in [their] hands.”<sup>2</sup>

There is no shortage of instances in which this ambiguity has jeopardized consumers’ access to the digital goods they have purchased. In December 2023, for example, Sony announced to users that “you will no longer be able to watch any of your previously purchased Discovery content,” including popular shows like “MythBusters,” “Cake Boss,” and “Deadliest Catch.” Consumers’ access was preserved only after Sony and Discovery reached a last-minute licensing deal. Similarly, when Sony merged its two anime-focused streaming services, Funimation and Crunchyroll, Funimation users who were moved to the Crunchyroll platform lost access to titles in their library because “Crunchyroll does not currently support Funimation Digital copies.”<sup>3</sup> In addition to losing access altogether, consumers have also had their digital content changed without their knowledge. Earlier in 2023, e-books, including titles from popular authors like Roald Dahl, R.L. Stine, and Agatha Christie, that had been published and sold in one form were

---

<sup>1</sup> “Do you really own the digital items you paid for?,” Federal Trade Commission (April 17, 2024), <https://consumer.ftc.gov/consumer-alerts/2024/04/do-you-really-own-digital-items-you-paid>.

<sup>2</sup> *Id.*

<sup>3</sup> “Funimation End of Services,” Crunchyroll, <https://help.crunchyroll.com/hc/en-us/articles/22843839604500-Funimation-End-of-Services>.

retroactively edited without notice.<sup>4</sup> Amazon has also recently announced that as of February 26, 2025, Kindle owners will no longer be allowed to download or back up their purchased e-books to their computers—making it difficult for consumers to access their e-books offline and maintain access to the book edition they purchased.<sup>5</sup>

Consumers’ ownership rights in digital products are currently being considered by multiple courts, including suits against Amazon and Apple.<sup>6</sup> Plaintiffs in these cases say they clicked “buy” to download digital goods that they believed they would own—and that they would not have paid the full purchase price if they knew it was effectively a rental with terms subject to change by the seller. And as courts weigh these issues, the California legislature has weighed in as well: the state recently passed a law requiring that online storefronts inform customers, in plain language, when the digital good they are about to purchase is a licensed product subject to legal limitations.<sup>7</sup>

Transparency is crucial to ensure that consumers know what they are buying and are not confused about the nature of the transaction. As the FTC has noted, “Companies are always obliged to ensure that customers understand what they’re getting for their money.”<sup>8</sup> I therefore request that the FTC issue guidance for sellers of digital goods to ensure they are providing clear information about what they are selling and what ownership interests a purchaser will have. This should include, for example, how long a license lasts and under what circumstances it may expire or be revoked, as well as whether consumers have the right to transfer or re-sell the content. This information should be presented before and at the point of sale in a way that is clear and understandable for consumers, so that they can use all the information at hand to determine if they want to purchase or rent the product at the offered price. To put it simply, prior to agreeing to any transaction, consumers should understand what they are paying for and what is guaranteed after the sale.

The shift from physical to digital goods presents some complex legal questions. One thing is clear, however: consumers deserve transparency about their ownership rights in digital goods. Guidance from the FTC on this issue will help ensure that digital goods sellers are aware of best practices and that American consumers can make informed buying decisions.

Sincerely,

---

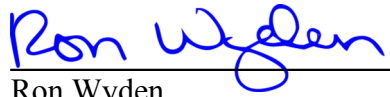
<sup>4</sup> “It’s Their Content, You’re Just Licensing It,” *The New York Times* (April 4, 2023), <https://www.nytimes.com/2023/04/04/arts/dahl-christie-stine-kindle-edited.html>.

<sup>5</sup> “Amazon’s killing a feature that let you download and backup Kindle books,” *The Verge* (Feb. 14, 2025), <https://www.theverge.com/news/612898/amazon-removing-kindle-book-download-transfer-usb>.

<sup>6</sup> See, e.g., *Andino v. Apple, Inc.*, No. 2:20-cv-01628-JAM-AC (E.D. Cal.), *McTyere v. Apple, Inc.*, No. 21-CV-1133-LJV (W.D.N.Y.), and *In re Amazon Prime Video Litigation*, No. 2:22-cv-00401-RSM (W.D. Wash.).

<sup>7</sup> Consumer protection: false advertising: digital goods, AB 2426 (2023-2024), [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240AB2426](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB2426).

<sup>8</sup> “Can’t lose what you never had: Claims about digital ownership and creation in the age of generative AI,” Federal Trade Commission (August 16, 2023), <https://www.ftc.gov/comment/187679>.

A handwritten signature in blue ink that reads "Ron Wyden". The signature is written in a cursive style with a large, looping "W" and "D".

---

Ron Wyden  
United States Senator