

To whom it may concern at Walmart, Target and Amazon -

We the undersigned are writing to you because of your sale of CloudPets - soft toys that record and send voice recordings.

This product has had significant security breaches and vulnerabilities. In some cases, these security problems still exist within the product today and have been publicly known for more than a year<sup>1</sup>. As a result, we urge you to pause selling these toys until existing security problems are resolved.

These security issues include:

- **Data breach:** Due to lax website security and misconfigurations, outside researchers found that CloudPets users' data was accessed multiple times by unauthorized parties on multiple occasions and held for ransom. Although the company eventually took steps to remove access to this data, it was not initially responsive to reports of the problem.
- **Spying capabilities:** On February 28th 2017, researchers identified a vulnerability in the toy that allows individuals within Bluetooth range (between 10-30 meters) to connect to, record audio from, and send messages to the toy through a third party interface. This vulnerability has been known for over a year and guides are easily found online that would allow anyone with some technical ability to exploit this flaw. Despite this, the manufacturer has not implemented authentication techniques that would resolve the issue.
- **Phishing risks:** Independent research has shown that Spiral Toys, the maker of CloudPets, also allowed their tutorial domain, [mycloudpets.com/tour](http://mycloudpets.com/tour), to lapse. As a result, this domain has the potential to be used in phishing attacks against CloudPets consumers. This risk is heightened by the fact that the company has previously attracted the attention of cyber criminals.

Like Facebook, people use platforms like CloudPets to connect and strengthen relationships with family. The recent Facebook/Cambridge Analytica scandal shows how that kind of sensitive information can be misused when in the wrong hands. Companies that facilitate such important and sensitive connections bear an important responsibility to treat those exchanges with the utmost care.

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<sup>1</sup> Please see appendix for details

What we see with CloudPets is a breach of trust with its users. We understand that connected devices can be complex and that sometimes, mistakes happen. However the issues with the CloudPets toy demonstrate a track record of failing to protect consumers. Despite the fact that security risks have been known publicly for over a year and that technical solutions are available, Spiral Toys has not rectified these problems. Security audits, instituting a vulnerability policy and also ensuring that their Bluetooth uses authentication are some of the key steps we'd like to see Spiral Toys take to help rectify this breach of trust.

What CloudPets demonstrates is the potential privacy risks that even a toy with limited connectivity can pose. More importantly, it also shows how these toys are entry points for companies to generate a consumer base from children for other digital products in the future. **That's why it's so critical that privacy and security be at the forefront of makers' minds.**

As we're seeing more families use connected devices to communicate while they're apart, this issue of trust is only going to become more prominent. CloudPets, like the 'My Friend Cayla' doll that was banned in Germany and that is no longer sold in your stores, shows that this is an area that requires attention.

That's why we also urge you to consider putting in place new or improved systems to ensure that products you stock, especially those that collect the information of children, have basic practices in place to respect the trust that consumers place in them.

We believe retailers have a crucial role to play when it comes to helping encourage manufacturers to respect the trust of their consumers. We hope you will immediately pause the sale of CloudPets, and we look forward to working with you on more proactive, positive steps that could be taken to protect customer safety, security, and privacy.

Sincerely,

Appendix -

List of articles and reports of the security challenges of CloudPets:

- Blog post from Troy Hunt detailing the database breach:  
<https://www.troyhunt.com/data-from-connected-cloudpets-teddy-bears-leaked-and-ransomed-exposing-kids-voice-messages/>
- Blog post detailing Bluetooth vulnerability:  
<https://irishinfosecnews.wordpress.com/2017/03/01/cloudpets-connected-toys-can-be-turned-into-remote-surveillance-devices/>
- Independent security audit commissioned by Mozilla: <link to report here>