

**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION**

COMMISSIONERS: **Lina M. Khan, Chair**
 Rebecca Kelly Slaughter
 Alvaro M. Bedoya
 Melissa Holyoak
 Andrew Ferguson

In the Matter of

INTELLIVISION TECHNOLOGIES CORP.

COMPLAINT

The Federal Trade Commission, having reason to believe that IntelliVision Technologies Corp., a corporation (“Respondent”), has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent, IntelliVision Technologies Corp. (“IntelliVision”), is a Delaware corporation with its principal office or place of business at 6203 San Ignacio Avenue, San Jose, California 95119.
2. Respondent has advertised, offered for sale, sold, and distributed an artificial intelligence-based facial recognition software product to original equipment manufacturers (“OEMs”), large integrators, and large end users.
3. Respondent’s facial recognition software has been incorporated into consumer products sold by its former parent corporation Nice North America, LLC.
4. For example, Respondent’s facial recognition software has been integrated into the 2GIG Edge, a home security system. The software allows consumers to register their face and then scan their face to gain access to the system.
5. Respondent’s facial recognition software also has been integrated into the Elan Intelligent Touch Panel. The software allows consumers to register their face and then scan their face to gain access to the smart home features of the touch panel.

6. The acts and practices of Respondent alleged in this complaint have been in or affecting commerce, as “commerce” is defined in Section 4 of the Federal Trade Commission Act.
7. From late 2018 through early 2024, Respondent has disseminated or has caused to be disseminated claims for its artificial intelligence-based facial recognition software on its website, intelli-vision.com, that include the following:
 - a. IntelliVision’s Face Recognition software is a fast, accurate, deep learning-based facial recognition solution for OEMs, integrators and developers that can detect faces of all ethnicities, without racial bias, and recognize them from a database of images;
 - b. Zero gender or racial bias through model training with millions of faces from datasets from around the world; and
 - c. Anti-Spoofing and No Gender/Race Bias – Liveness testing with 2D cameras, and models developed with multi-ethnic and gender datasets to ensure no built-in bias.
8. Since late 2018, Respondent has disseminated or has caused to be disseminated claims for facial recognition software on its website, intelli-vision.com, that include the following:
 - a. Anti-spoofing technology ensures the system cannot be fooled by a photo or video image; and
 - b. Trained on millions of images from across the world, faces from multiple ethnicities are easily detected.
9. In presentations to trade customers considering integrating Respondent’s technology in their products, Respondent claimed its facial recognition technology has one of the highest accuracy rates on the market.
10. The accuracy rates of facial recognition technologies often vary depending on the demographics, including the race and gender of image subjects. The National Institute of Standards and Technology (NIST) “conduct[s] tests to quantify demographic differences in contemporary face recognition algorithms” and publishes its results.¹ NIST testing has found that many facial recognition algorithms produce significantly more false positive “matches” for certain demographics, including West and East African, East Asian and American Indian than for images of Eastern European faces.² NIST also found false positives to be higher in women than men.³

¹ See, e.g., Nat’l Institute for Standards & Tech., Face Recognition Vendor Test (FRVT) Part 3: Demographic Effects 2 (2019), <https://nvlpubs.nist.gov/nistpubs/ir/2019/NIST.IR.8280.pdf>; Nat’l Institute for Standards & Tech., Face Recognition Vendor Evaluation (FRTE): 1:1 Verification (2023), <https://pages.nist.gov/frvt/html/frvt11.html>.

² See Nat’l Institute for Standards & Tech., Face Recognition Technology Evaluation: Demographic Effects in Face Recognition, https://pages.nist.gov/frvt/html/frvt_demographics.html; Nat’l Institute for Standards & Tech., Face Recognition Vendor Test (FRVT) Part 8: Summarizing Demographic Differentials (2022), https://pages.nist.gov/frvt/reports/demographics/nistir_8429.pdf; Nat’l Institute for Standards & Tech., Face Recognition Vendor Test (FRVT) Part 3: Demographic Effects 2 (2019), <https://nvlpubs.nist.gov/nistpubs/ir/2019/nist.ir.8280.pdf>.

³ *Id.*

11. Respondent submitted its facial recognition algorithms to NIST for testing at various points in 2019, 2022, and 2023. The test results on NIST's public website indicate that error rates for IntelliVision's algorithms differed across different demographics, including region of birth and sex. The results also show that IntelliVision's algorithms were not one of the top-performing algorithms. For example, in terms of false non-match rate IntelliVision's algorithms were not among the top 100 best performing algorithms tested by NIST as of December 19, 2023.
12. Respondent does not possess testing to support its claims that its facial recognition technology has one of the highest accuracy rates on the market, that it can detect faces of all ethnicities without racial bias, or that it performs with zero gender or racial bias.
13. Respondent does not possess testing of its anti-spoofing technology that is sufficient to support its unqualified claim that the technology ensures the system cannot be fooled by a photo or video image, nor did IntelliVision's testing assess how the anti-spoofing technology performed across demographic groups.
14. Respondent also did not train its facial recognition software on millions of faces. Rather it trained its facial recognition technology on images of approximately 100,000 unique individuals and then used technology to create multiple variants of those same images and faces.

Count I

Misrepresentations – Facial Recognition Software Accuracy and Training

15. As described in Paragraphs 7-9, Respondent has represented, expressly or by implication, that IntelliVision's facial recognition software:
 - a. Has one of the highest accuracy rates on the market; and
 - b. Has been trained on millions of faces.
16. In fact, as set forth in Paragraphs 10-12, IntelliVision's facial recognition software does not have one of the highest accuracy rates on the market, and has not been trained on millions of faces. Therefore, the representations set forth in Paragraph 15 are false or misleading.

Count II

False or Unsubstantiated Claims – Facial Recognition Software

17. In connection with the advertising, promotion, offering for sale, or sale of IntelliVision's facial recognition software, Respondent has represented, expressly or by implication, that its software:
 - a. Can detect faces of all ethnicities without racial bias;
 - b. Was developed with multi-ethnic and gender datasets to ensure no built-in bias; and
 - c. Performs with zero gender or racial bias.

18. The representations set forth in Paragraph 17 are false or misleading, or were not substantiated at the time the representations were made.

Count III
False or Unsubstantiated Claims – Anti-Spoofing

19. In connection with the advertising, promotion, offering for sale, or sale of IntelliVision’s facial recognition software, Respondent has represented, expressly or by implication, that its anti-spoofing technology ensures the system cannot be fooled by photo or video images.
20. The representation set forth in Paragraph 19 is false or misleading, or was not substantiated at the time the representation was made.

Violations of Section 5

21. The acts and practices of Respondent as alleged in this complaint constitute deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

THEREFORE, the Federal Trade Commission this _____ day of _____, 20__, has issued this complaint against Respondent.

By the Commission.

April J. Tabor
Secretary

SEAL: