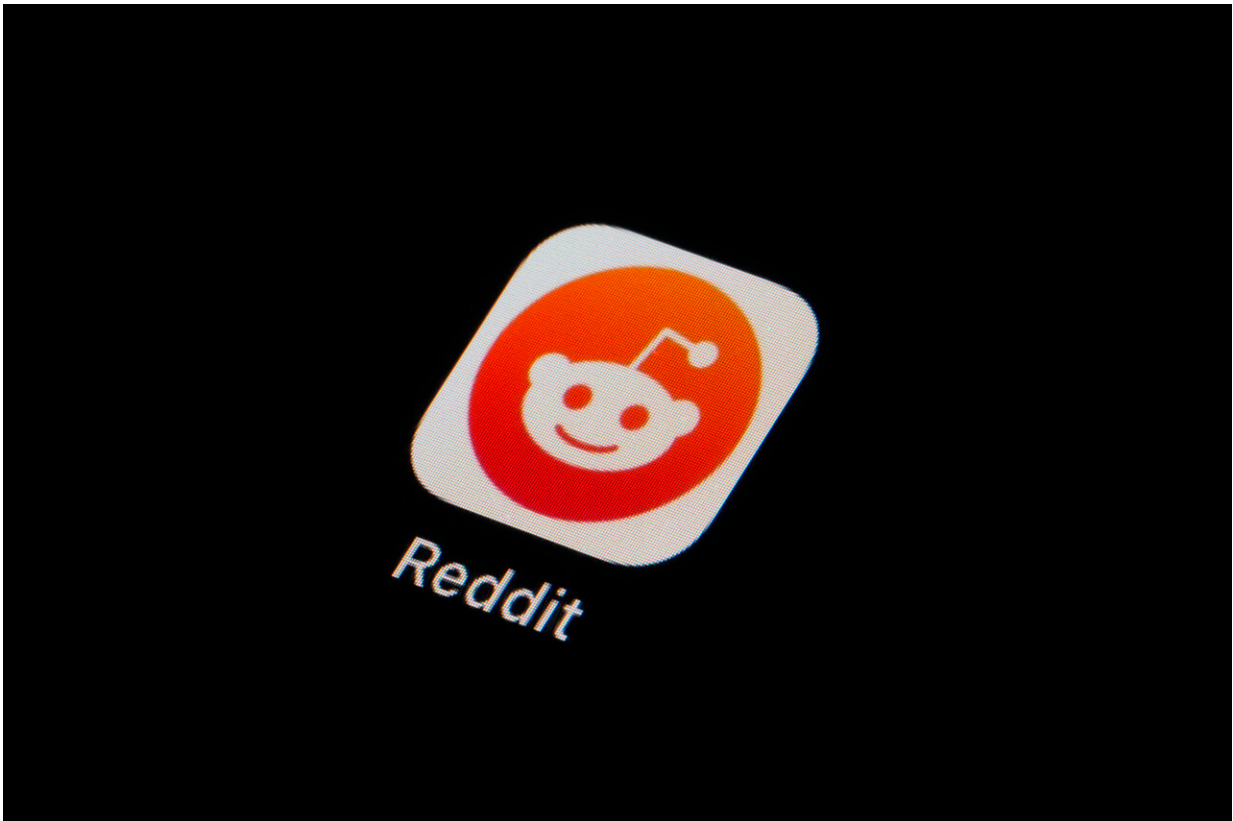# Reddit reveals FTC inquiry into deals licensing its users' data for AI training

March 16 2024

The Reddit app icon is seen on a smartphone on Feb. 28, 2023, in Marple Township, Pa. Reddit said Friday, March 15, 2024, that the Federal Trade Commission has opened an inquiry into the social platform's sale, licensing or sharing of user posts and other content to outside organizations for use in training artificial intelligence models. Credit: AP Photo/Matt Slocum, File

Reddit said Friday that the Federal Trade Commission has opened an inquiry into the social media platform's sale, licensing or sharing of its users' posts and other content to outside organizations for use in training artificial intelligence models.

The company disclosed the [inquiry](#) Friday in a [filing with the Securities and Exchange Commission](#) that cited a letter from the FTC dated Thursday.

"Given the novel nature of these technologies and commercial arrangements, we are not surprised that the FTC has expressed interest in this area," Reddit wrote in the filing. "We do not believe that we have engaged in any unfair or deceptive trade practice."

Like many other [social media platforms](#), Reddit has expressed interest in business deals where AI companies pay to access databases of human-written text that AI models can use to refine their ability to converse, answer questions and produce written work and images on request.

Almost a month ago, Reddit [announced a $60 million deal](#) with Google for exactly that purpose. That arrangement will also give Reddit access to Google AI models for improving its internal site search and other features. Reddit declined to comment or answer questions beyond [a written statement about the deal](#).

Friday's disclosure comes as Reddit prepares to sell shares to the public for the first time. The San Francisco-based company on Monday filed paperwork that projected a price for its [initial public offering](#) valuing the 18-year-old platform at up to $6.4 billion.

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