

## TikTok Prepares US App With Its Own Algorithm and User Data

The move could open the door to resolving years of debate over whether the company would share what is considered the crown jewel of the ByteDance-owned short video-sharing platform.

By Krystal Hu



TikTok is preparing to launch a standalone app for US users that is expected to operate on a separate algorithm and data system from its global app, laying the groundwork for a potential sale orchestrated by US President Donald Trump, according to people familiar with the matter.

Over the past several months, TikTok employees have been working under tight deadlines to build a new, US-specific version of TikTok by transferring and duplicating the application's codebase — including AI models, algorithms, features, and user data — from the global platform, current employees at the company told Reuters, who requested anonymity while discussing private matters.

The move could open the door to resolving years of debate over whether the company would share what is considered the crown jewel of the ByteDance-owned short video-sharing platform — the recommendation algorithm powering the Chinese-owned platform, which has been at the center of the US-China technology standoff.

### ByteDance and TikTok declined to comment.

The initiative, known internally as “M2,” has a September deadline, and could represent the biggest technical break between TikTok's US operations and its international business. The change is expected to impact how 170 million US users access global content and how non-US creators make money on the platform.

The new US-only app is designed to function independently, similar to Douyin — the version of TikTok available exclusively in mainland China. Users from outside the US will not find the American version in their app store, sources said.

Technical details of the upcoming US app are reported here for the first time. The Information first reported on the planned launch of the US TikTok app.

While current content is expected to migrate into the new app, it remains unclear to what degree new content from the global TikTok apps will be integrated into the US version. The new app is expected to use only data from US users to train its recommendation algorithms, further distancing it from TikTok's global systems, sources added. As a result, most users will be recommended content generated within the US.

### Separation Anxiety

The push to separate TikTok's US app from its global platform has been underway for months, as ByteDance executives prepared various plans to prevent a ban of the app in the US, a move required by recently passed legislation over data security concerns.





The future of the app used by nearly half of all Americans has been up in the air since a 2024 law, passed with overwhelming bipartisan support, required ByteDance to divest TikTok by January 19.

Washington officials have said TikTok's ownership by ByteDance makes it beholden to the Chinese government, and Beijing could use the app to conduct influence operations against the US and collect data on Americans.

After the first deadline and a brief moment of "going dark" in January, TikTok began moving non-US user data out of American data centers run by Oracle, ensuring only US user data remained on servers in the US, paving the way for separating US and international businesses, according to sources.

The company has also been working on separating the codebase for its core algorithm since last year, a move first reported by Reuters and denied by the company at the time.

Once the split is completed, the core technology and ongoing development will be managed separately from the global TikTok team, although some ByteDance employees could continue supporting TikTok US in an outsourced capacity, one of the sources added.

This has raised internal concerns about whether the algorithm for the US will remain as effective in the long run as it is today, when TikTok can leverage ByteDance's global engineering talent and product expertise.

The project comes as ByteDance faces continued political pressure in Washington to divest its US business. A deal had been in the works this spring to spin off TikTok's US operations into a new US-based firm, but it was put on hold after China indicated it would not approve it following Trump's announcements of steep tariffs on Chinese goods.

If a sale is finalized, the new app is expected to be owned by a joint venture formed by an American investor consortium and ByteDance, which will maintain a minority stake.

The consortium, which has emerged as the frontrunner, includes ByteDance's current shareholders Susquehanna International Group (SIG), General Atlantic, KKR, as well as new investors such as Blackstone and Andreessen Horowitz, Reuters previously reported. Oracle is also likely to take a stake.

Still, it remains unclear whether Beijing has approved the plan to copy the algorithm or sell TikTok's US operations.

During previous negotiations, Chinese authorities expressed strong reluctance to allow the export of TikTok's recommendation algorithm, widely seen as ByteDance's valuable asset and a key driver of its global popularity.

In 2020, when the Trump administration first pushed for a sale of TikTok's US business, China updated its export control rules to cover technologies such as recommendation algorithms, effectively giving the government a say over any transfer.

At the time, TikTok's management team rejected the plan of hiving off its US operations as detrimental to both users and the global network, according to people with knowledge of the decision.

Now, the talks on TikTok's fate are also part of President Trump's broader trade negotiations with China over tariffs, sources said.

Trump said last week he would resume talks with China about a TikTok deal. While he said he was "not confident" about Beijing's approval, Trump added, "I think the deal is good for China and it's good for us."

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