

1 Jason S. Hartley (SBN 192514)

2 **HARTLEY LLP**

3 101 West Broadway, Suite 820

4 San Diego, California 92101

5 Telephone: 619-400-5822

6 hartley@hartleyllp.com

7 Norman E. Siegel (*pro hac vice* forthcoming)

8 J. Austin Moore (*pro hac vice* forthcoming)

9 **STUEVE SIEGEL HANSON LLP**

10 460 Nichols Road, Suite 200

11 Kansas City, Missouri 64112

12 Telephone: 816-714-7100

13 siegel@stuevesiegel.com

14 moore@stuevesiegel.com

11 **UNITED STATES DISTRICT COURT**
12 **NORTHERN DISTRICT OF CALIFORNIA**

14 TESHA KONDRAT, GAVIN WOLFE, and
15 CHANELLE MURPHY, individually and
16 on behalf of all others similarly situated,

17 Plaintiffs,

18 v.

19 ZOOM VIDEO COMMUNICATIONS,
20 INC.,

21 Defendant.
22
23
24
25
26
27
28

Case No. _____

**CLASS ACTION COMPLAINT
AND DEMAND FOR JURY TRIAL**

1. **Violation of California’s Unfair Competition Law**
2. **Breach of Implied Contract**
3. **Violation of California’s Consumer Privacy Act**
4. **Violation of California’s Consumer Legal Remedies Act**
5. **Unjust Enrichment/Quasi-Contract**
6. **Declaratory Judgment**
7. **Negligence**
8. **Invasion of Privacy (Public Disclosure of Private Facts)**

1 Plaintiffs Tesha Kondrat, Gavin Wolfe, and Chanelle Murphy, individually and
2 on behalf of all persons similarly situated, bring this Class Action Complaint against
3 Defendant Zoom Video Communications, Inc. (“Defendant” or “Zoom”), based upon
4 personal knowledge with respect to themselves, and on information and belief derived
5 from investigation of counsel and review of public documents as to all other matters.

6 **INTRODUCTION**

7 1. *“I really messed up.”* That’s what Zoom’s chief executive officer (CEO)
8 Eric Yuan admitted on April 4, 2020, after dozens of security and privacy flaws had
9 been exposed in his company’s wildly popular video-conferencing platform Zoom. But
10 Mr. Yuan’s admission comes too late for the millions of individuals who already
11 downloaded and utilized the Zoom platform, unknowingly exposing themselves to
12 sweeping privacy issues that could place them at risk of harm for years to come. As Mr.
13 Yuan soberly acknowledged: *“This kind of thing shouldn’t have happened.”*

14 2. Zoom is a video communications provider, offering a cloud platform for
15 video and audio conferencing, collaboration, chat and webinars. Its meteoric rise from
16 a startup with 40 engineers in 2011 to its \$20 billion initial public offering in 2019 was
17 celebrated, and its trajectory during the COVID-19 pandemic has exponentially
18 increased as the homebound population uses it as their business and social lifeline. But
19 Zoom’s ascent came at the expense of consumers’ privacy, as it prioritized its breakneck
20 growth above the security of consumers’ data and privacy.

21 3. Zoom’s sudden ubiquitous presence in the lives of Americans forced to
22 stay at home and limit face-to-face communications has exposed numerous deficiencies
23 in the technology’s data privacy and security, with new problems coming to light as
24 each day passes. Zoom is now playing catch-up to fix each problem as it arises, but it
25 appears to always be one step behind. By using Zoom’s rushed-to-market technologies,
26 consumers’ private communications and personally-identifying information and data
27 are being exposed to third-parties, both intentionally by Zoom, and maliciously by

4. As a result of Zoom’s intentional and negligent data security failures, Plaintiffs’ and Class Members’ personal information has been exposed and is at a significant risk of further exposure, and their privacy-rights have been violated. Plaintiffs bring this lawsuit on behalf of themselves and other similarly-situated users of Zoom’s technologies to hold Zoom responsible for its deficient privacy and data security, stop Zoom from continuing to profit at the expense of consumers’ privacy and security, require that Zoom take all necessary measures to secure the privacy of user accounts and devices, and compensate Plaintiffs and Class Members for the damage that its acts and omissions have caused.

PARTIES

5. Plaintiff Tesha Kondrat is a resident and citizen of Los Angeles, California. She agreed to pay \$14.99 per month for Zoom’s “Pro” video conferencing plan to communicate with family, friends, and business colleagues in the midst of the pandemic. At the time she began using Zoom’s products and services, she was not aware, and did not understand, that they included significant security-deficiencies that would result in the exposure and risk of exposure of her private communications and personally-identifying information. If Ms. Kondrat had known what she now knows about Zoom’s data security and privacy deficiencies, she would not have purchased Zoom, or would not have paid as much for it.

6. Plaintiff Gavin Wolfe is a resident and citizen of Sunnyvale, California. He agreed to pay \$149.90 annually for Zoom’s “Pro” video conferencing plan to host a Bible study group in the midst of the pandemic. At the time he began using Zoom’s products and services, he was not aware, and did not understand, that they included significant security-deficiencies that would result in the exposure and risk of exposure of his private communications and personally-identifying information. If Mr. Wolfe had known what he now knows about Zoom’s data security and privacy deficiencies, he would not have purchased Zoom, or would not have paid as much for it.

1 calls, and chats. Zoom claims that it can provide “video for every need,” allowing users
2 to “join anywhere, on any device.”¹

3 13. Businesses, healthcare organizations, educational institutions, and
4 individuals use the Zoom platform for a variety of business and social purposes. Zoom’s
5 use has exploded recently in response to the novel-coronavirus pandemic’s social-
6 distancing requirements that are forcing more people to stay at home. “Where once it
7 enabled client conferences or training webinars, it is now also a venue for virtual
8 cocktail hours, Zumba classes and children’s birthday parties.”² The number of daily
9 meeting participants across Zoom’s services has increased from 10 million at the end
10 of 2019 to 200 million now.³

11 14. Zoom’s initial public offering last year was one of 2019’s most successful
12 public offerings, making Zoom’s CEO, Eric Yuan, a billionaire.⁴ And while the stock
13 market has seen its first bear market since the 2008 financial crisis,⁵ Zoom’s share price
14 soared,⁶ that is, until recently when investors learned of its major security and privacy
15 flaws.⁷

16
17 ¹ Zoom Meetings & Chat, <https://zoom.us/meetings> (last visited April 12, 2020).

18 ² Aaron Tilley and Robert McMillan, *Zoom CEO: ‘I Really Messed Up’ on Security as Coronavirus*
19 *Drove Video Too’s Appeal*, The Wall Street Journal (April 4, 2020) (“I really messed up”),
20 [https://www.wsj.com/articles/zoom-ceo-i-really-messed-up-on-security-as-coronavirus-drove-](https://www.wsj.com/articles/zoom-ceo-i-really-messed-up-on-security-as-coronavirus-drove-video-tools-appeal-11586031129?st=jmn0xqiy1ea3c63&mod=openfreereg)
[video-tools-appeal-11586031129?st=jmn0xqiy1ea3c63&mod=openfreereg](https://www.wsj.com/articles/zoom-ceo-i-really-messed-up-on-security-as-coronavirus-drove-video-tools-appeal-11586031129?st=jmn0xqiy1ea3c63&mod=openfreereg).

21 ³ *Id.*

22 ⁴ *Id.*

23 ⁵ Sergei Klebnikov, *Bear Market, Dow Drops Over 1,400 Points, Ending Longest Bull Market in*
24 *U.S. History*, Forbes (Mar. 11, 2020),
[https://www.forbes.com/sites/sergeiklebnikov/2020/03/11/bear-market-dow-drops-over-1400-](https://www.forbes.com/sites/sergeiklebnikov/2020/03/11/bear-market-dow-drops-over-1400-points-ending-longest-bull-market-in-us-history/#6e75715c6ae4)
[points-ending-longest-bull-market-in-us-history/#6e75715c6ae4](https://www.forbes.com/sites/sergeiklebnikov/2020/03/11/bear-market-dow-drops-over-1400-points-ending-longest-bull-market-in-us-history/#6e75715c6ae4).

25 ⁶ Rupert Neate, *Zoom booms as demand for video-conferencing tech grows*, The Guardian (Mar 31,
26 2020), [https://www.theguardian.com/technology/2020/mar/31/zoom-booms-as-demand-for-video-](https://www.theguardian.com/technology/2020/mar/31/zoom-booms-as-demand-for-video-conferencing-tech-grows-in-coronavirus-outbreak)
[conferencing-tech-grows-in-coronavirus-outbreak](https://www.theguardian.com/technology/2020/mar/31/zoom-booms-as-demand-for-video-conferencing-tech-grows-in-coronavirus-outbreak).

27 ⁷ Wallace Witkowski, *Zoom Video stock slides as much as 15% after analyst joins in backlash on*
valuation fears, Market Watch (April 6, 2020), <https://www.marketwatch.com/story/zoom-video>

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.