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21 *Attorneys for Defendant Meta Platforms, Inc.*

22 **UNITED STATES DISTRICT COURT**
23 **NORTHERN DISTRICT OF CALIFORNIA**
24 **SAN FRANCISCO DIVISION**

25 MAXIMILIAN KLEIN, et al., on behalf of
26 themselves and all others similarly situated,

27 Plaintiffs,

28 v.

29 META PLATFORMS, INC., a Delaware
30 Corporation headquartered in California,

31 Defendant.

Case No. 3:20-cv-08570-JD

**DEFENDANT META PLATFORMS,
INC.'S ANSWER TO THE FIRST
AMENDED CONSOLIDATED
ADVERTISER CLASS ACTION
COMPLAINT**

Judge: Hon. James Donato

1 Defendant Meta Platforms, Inc. (“Meta”) answers Plaintiffs’ First Amended Consolidated
2 Advertiser Class Action Complaint as follows:

3 Except as otherwise expressly stated below, Meta denies each and every allegation
4 contained in the Complaint. Meta states that the headings, sub-headings, and footnotes throughout
5 the Complaint do not constitute well-pled allegations of fact and therefore require no response. To
6 the extent a response is required, Meta denies the allegations in the headings, sub-headings, and
7 footnotes in the Complaint, except as otherwise stated. Meta reserves the right to seek to amend
8 and/or supplement its Answer as may be necessary.

9 **ANSWERS TO SPECIFIC ALLEGATIONS**

10 1. Meta admits that Jessyca Frederick, Mark Young, 406 Property Services, PLLC,
11 Mark Berney, and Katherine Looper purchased advertising from Meta. Meta lacks knowledge or
12 information sufficient to form a belief about whether advertising purchases by Jessyca Frederick
13 were made on behalf of Affilious, Inc. Meta avers that Plaintiff Joshua Jeon voluntarily dismissed
14 his claims on August 29, 2022. Meta otherwise denies the allegations in Paragraph 1.

15 2. Meta denies the allegations in Paragraph 2.

16 3. Meta denies the allegations in Paragraph 3.

17 4. Meta denies the allegations in Paragraph 4.

18 5. Meta denies the allegations in Paragraph 5.

19 6. Meta denies the allegations in Paragraph 6.

20 7. Meta denies the allegations in Paragraph 7.

21 8. Meta denies the allegations in Paragraph 8.

22 9. Meta denies the allegations in Paragraph 9.

23 10. Meta denies the allegations in Paragraph 10.

24 11. Meta denies the allegations in Paragraph 11.

25 12. Meta denies the allegations in Paragraph 12.

26 13. Meta denies the allegations in Paragraph 13.

27 14. Meta denies the allegations in Paragraph 14.

28 15. Meta denies the allegations in Paragraph 15.

1 16. Meta denies the allegations in Paragraph 16.

2 17. To the extent Paragraph 17 refers to an agreement between Meta and Google, Meta
3 respectfully refers the Court to that agreement, which speaks for itself, for a complete and accurate
4 statement of its contents. Meta otherwise denies the allegations in Paragraph 17.

5 18. Meta denies the allegations in Paragraph 18.

6 19. Meta denies the allegations in Paragraph 19.

7 20. Meta denies the allegations in Paragraph 20.

8 21. Meta denies the allegations in Paragraph 21.

9 22. Meta denies the allegations in Paragraph 22.

10 23. Meta denies the allegations in Paragraph 23.

11 24. Meta lacks knowledge or information sufficient to form a belief about the truth of
12 the allegations in Paragraph 24, including whether Jessyca Frederick's advertising purchases were
13 made on behalf of Affilius, Inc., and on that basis denies the allegations.

14 25. Meta admits that Jessyca Frederick purchased advertisements at various times on
15 Facebook between April 4, 2009 and August 2017. Meta lacks knowledge or information
16 sufficient to form a belief about the truth of the remaining allegations in Paragraph 25, and on that
17 basis denies the allegations.

18 26. Meta admits that Mark Young purchased advertisements at various times on
19 Facebook between June 2017 and April 2019. Meta lacks knowledge or information sufficient to
20 form a belief about the truth of the remaining allegations in Paragraph 26, and on that basis denies
21 the allegations.

22 27. Meta avers that Plaintiff Joshua Jeon voluntarily dismissed his claims on August
23 29, 2022, and therefore, no response is required.

24 28. Meta admits that 406 Property Services, PLLC purchased advertisements at various
25 times on Facebook between June 8, 2017 and October 20, 2017. Meta lacks knowledge or
26 information sufficient to form a belief about the truth of the remaining allegations in Paragraph
27 28, and on that basis denies the allegations.

28

1 29. Meta admits that Mark Berney purchased advertisements at various times on
2 Facebook between 2016 and December 2018. Meta lacks knowledge or information sufficient to
3 form a belief about the truth of the remaining allegations in Paragraph 29, and on that basis denies
4 the allegations.

5 30. Meta admits that Katherine Looper purchased advertisements at various times on
6 Facebook between 2013 and March 2020. Meta denies that Reality House West is “Looper’s
7 nonprofit organization.” Meta lacks knowledge or information sufficient to form a belief about
8 the truth of the remaining allegations in Paragraph 30, and on that basis denies the allegations.

9 31. Meta denies the allegations in Paragraph 31.

10 32. Meta admits the allegations in Paragraph 32.

11 33. Meta admits that it was founded by Mark Zuckerberg in 2004. Meta further admits
12 that it offers a suite of products to billions of users around the world. Meta further admits that it
13 earns revenues from delivering ads to users. Meta otherwise denies the allegations in Paragraph
14 33.

15 34. To the extent Paragraph 34 refers to Meta’s public securities filings, Meta
16 respectfully refers the Court to those filings, which speak for themselves, for a complete and
17 accurate statement of their contents. Meta admits that its services include the Facebook
18 application, Instagram, Messenger, and WhatsApp. Meta further admits that the Facebook
19 application is a web-based and mobile service that, among other things, allows people to connect,
20 share, discover, and communicate. Meta further admits that the Facebook application has several
21 features that facilitate these connections, including News Feed. Meta further admits that Instagram
22 is a mobile and web-based application that allows users to share photos, videos, and messages and
23 that Meta acquired Instagram in 2012. Meta further admits that Messenger is a messaging
24 application available on desktops and a variety of mobile platforms that allows users to share
25 content and experiences by sending messages, photos, and videos. Meta further admits that
26 WhatsApp is a messaging application used by individuals and businesses. Meta further admits
27 that it acquired WhatsApp in 2014. Meta admits that Oculus is a hardware, software, and

28 development system that allows people around the world to come together through Meta’s Oculus

1 augmented reality and virtual reality. Meta further admits that it acquired Oculus in 2014. Meta
2 otherwise denies the allegations in Paragraph 34.

3 35. Meta admits that its revenue as of year-end 2019 was \$70.70 billion, up 27% from
4 the previous year, with net income from operations of \$23.99 billion. Meta further admits that it
5 maintained \$54.86 billion in cash and cash-equivalent securities as of year-end 2019. Meta further
6 admits that it employed 44,942 people around the world at the end of 2019, up 26% from the
7 previous year. Meta further admits that its revenue as of year-end 2020 was \$85.97 billion, a 22%
8 increase from the previous year, with net income from operations of \$32.67 billion. Meta further
9 admits that it maintained \$61.95 billion in cash and cash-equivalent securities as of year-end 2020.
10 Meta further admits that it employed 58,604 people at the end of 2020, up 30% from the previous
11 year. Meta further admits that it earned \$117.93 billion in revenue in 2021. Meta further admits
12 that it earned \$114.93 billion in revenue from advertising in 2021. Meta further admits that it
13 earned \$46.753 billion in income from operations in 2021. Meta further admits that it earned
14 \$56.95 billion in income from operations of its Family of Apps in 2021. Meta further admits that
15 its net income from operations was \$39.37 billion in 2021. Meta otherwise denies the allegations
16 in Paragraph 35.

17 36. Meta admits that it reported to investors that on average it had 1.66 billion daily
18 active users of Facebook for the 2019 fiscal year, up 9% from the previous year, and 2.50 billion
19 monthly active users, up 8% from the previous year. Meta further admits that it had 2.26 billion
20 daily active people who used one or more of Facebook, Instagram, Messenger, and/or WhatsApp,
21 up 11% from the previous year, and 2.89 billion monthly active people, up 9% from the previous
22 year. Meta further admits that it reported to investors that on average it had 1.84 billion daily
23 active users of Facebook for the 2020 fiscal year, up 11% from the previous year, and 2.80 billion
24 monthly active users, up 12% from the previous year. Meta further admits that it reported to
25 investors that on average it had 2.60 billion daily active people who used one or more of Facebook,
26 Instagram, Messenger, and/or WhatsApp, up 15% from the previous year. Meta otherwise denies
27 the allegations in Paragraph 36.

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