

IN THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA
Civil Division

DISTRICT OF COLUMBIA

a municipal corporation
441 4th Street, N.W.
Washington, D.C. 20001,

Plaintiff,

v.

FACEBOOK, INC.

1 Hacker Way
Menlo Park, CA 94025

Serve on:

CORPORATION SERVICE CO.,

Registered Agent

1090 Vermont Ave. N.W.
Washington, D.C. 20005,

Defendant.

Case No.:

**COMPLAINT FOR VIOLATIONS OF THE CONSUMER PROTECTION
PROCEDURES ACT**

Plaintiff District of Columbia (District), by the Office of the Attorney General, brings this action against Defendant Facebook, Inc. (Facebook) for violations of the District's Consumer Protection Procedures Act (CPPA), D.C. Code §§ 28-3901, *et seq.* In support of its claims, the District states as follows:

Introduction

1. This case stems from the failure by Defendant Facebook to honor its promise to protect its consumers' personal data. Facebook operates a website (www.facebook.com) and a companion mobile application through which it offers social networking services to its two billion active users, which includes hundreds of thousands of consumers in Washington, D.C.

(D.C.). Facebook collects and maintains a trove of its consumers' personal data, as well as data regarding consumers' digital behavior on and off the Facebook website. Facebook permits third-party developers—including developers of applications and mobile device makers—to access this sensitive information in connection with offering applications to Facebook consumers. Facebook's consumers reasonably expect that Facebook will take appropriate steps to maintain and protect their data. Facebook tells them as much, promising that it requires applications to respect a Facebook consumer's privacy. Facebook has failed to live up to this commitment.

2. These failures are highlighted through Facebook's lax oversight and enforcement of third-party applications. To provide just one example, from 2013-2015, Facebook permitted a Cambridge University researcher named Aleksandr Kogan (Kogan) to use a third-party application to harvest the personal data of approximately 70 million Facebook consumers in the United States and then sell it to Cambridge Analytica, a political consulting firm that relied on Facebook data to target voters and influence elections in the United States. Although Kogan's application was only installed by 852 distinct Facebook consumers in D.C., the application also collected the personal information of users' Facebook friends—including more than 340,000 of D.C.'s residents who did not download the application. This sequence of events was replete with failures in oversight and enforcement. For instance, as remains its policy to this day, Facebook failed to take the basic step of reviewing the terms of Kogan's application, which would have alerted the company to the fact that Kogan planned to improperly sell consumer data.

Furthermore, after discovering the improper sale of consumer data by Kogan to Cambridge Analytica, Facebook failed to take reasonable steps to protect its consumers' privacy by ensuring that the data was accounted for and deleted. Facebook further failed to timely inform the public (including D.C. residents) that tens of millions of its consumers had their data sold to Cambridge

Analytica, even though Facebook knew, or should have known, that such data was acquired in violation of its policies and was being used in connection with political advertising.

3. These failures are also demonstrated by Facebook's relationship with partner companies, including mobile device makers. Facebook permitted select partner companies special access to its consumers' data in connection with the development of Facebook-related applications. Through these relationships, select partner companies were allowed to override Facebook consumers' privacy settings and access their information without their knowledge or consent.

4. Facebook's policies and practices relating to third party access and use of consumer data violate the District's consumer protection laws. First, Facebook misrepresented the extent to which it protects its consumers' personal data, requires third-party developers to respect its consumers' personal data, and how consumers' agreements with third-party applications control how those applications use their data. Second, Facebook failed to adequately disclose to Facebook consumers that their data can be accessed without their knowledge or affirmative consent by third-party applications downloaded by their Facebook friends. Third, Facebook failed to disclose to affected consumers when their data was improperly harvested and used by third-party applications and others in violation of Facebook's policies, such as in the Kogan and Cambridge Analytica example. Fourth, compounding these misrepresentations and disclosure failures, Facebook's privacy settings are ambiguous, confusing, and difficult to understand. Finally, Facebook failed to disclose that it granted certain companies, many of whom were mobile device makers, special permissions that enabled those companies to access consumer data and override consumer privacy settings.

5. Facebook could have prevented third parties from misusing its consumers' data had it implemented and maintained reasonable oversight of third-party applications consistent with its representations in its public statements, terms of service, and policies. The District brings this case to ensure that Facebook is held accountable for its failure to protect the privacy of its consumers' personal data. The District seeks injunctive relief to prevent Facebook from engaging in these and similar unlawful trade practices, civil penalties and costs to deter Facebook from engaging in these and similar unlawful trade practices, and any appropriate restitution for consumers.

Jurisdiction

6. This Court has jurisdiction over the subject matter of this case pursuant to D.C. Code §§ 11-921 and 28-3909.

7. This Court has personal jurisdiction over Defendant Facebook pursuant to D.C. Code § 13-423(a).

Parties

8. Plaintiff District of Columbia (District) is a municipal corporation empowered to sue and be sued, and is the local government for the territory constituting the permanent seat of the federal government. The District brings this case through the Attorney General for the District of Columbia, who is the chief legal officer for the District. The Attorney General is responsible for upholding the public interest and is also specifically authorized to enforce the District's consumer protection laws, including the CPPA.

9. Defendant Facebook, Inc. (Facebook), is a Delaware corporation with its headquarters and principal place of business at 1 Hacker Way, Menlo Park, CA, 94025.

Facebook engages in the business of supplying social networking services through the operation of its website, www.facebook.com, and accompanying mobile applications, to consumers in D.C.

Facebook's Collection of Consumer Data

10. The Facebook website¹ allows consumers to build a social network with other Facebook consumers and share information within that network. It is among the world's most heavily trafficked websites and has over two billion active consumers around the globe. Hundreds of thousands of D.C. residents are among Facebook's consumers.

11. To begin using the Facebook website, a consumer first creates a Facebook account. The consumer can then add other Facebook consumers as "friends" and by accumulating Facebook friends, the consumer builds a social network on the Facebook website.

12. As Facebook consumers grow their social networks and interact with friends on the Facebook website, their information and activity is digitally collected, recorded, and maintained by Facebook. As relevant here, this data can be divided into two broad categories: (i) data directly supplied by consumers, and (ii) data pertaining to consumers' activity on and off the Facebook website.

13. First, consumers directly provide Facebook with personal information. To create a Facebook account, a consumer is required to supply Facebook with basic information such as their name, phone number, email address, birthday, and gender. A consumer then has the option to customize their "Facebook Profile" by supplying additional information to Facebook, such as their hometown, educational history, work experience, relationship status, political and religious

¹ In this Complaint, the "Facebook website" refers to both (i) www.facebook.com, which is accessed through an Internet browser, and (ii) the Facebook mobile application, which is accessed through a mobile device like a smartphone or tablet. Many of Facebook's features and services available on www.facebook.com are also available through the Facebook mobile application.

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