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19 UNITED STATES DISTRICT COURT
20 NORTHERN DISTRICT OF CALIFORNIA

21 MATTHEW CAMPBELL, MICHAEL
22 HURLEY, on behalf of themselves and all
others similarly situated,

23 Plaintiffs,

24 v.

25 FACEBOOK, INC.,

26 Defendant.

Case No. 4:13-cv-05996-PJH

**PLAINTIFFS' NOTICE OF MOTION AND
MOTION AND MEMORANDUM OF
POINTS AND AUTHORITIES IN
SUPPORT OF MOTION FOR FINAL
APPROVAL OF CLASS ACTION
SETTLEMENT**

Date: August 9, 2017

Time: 9:00am

Judge: Hon. Phyllis J. Hamilton

Place: Courtroom 3, 3rd Floor

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NOTICE OF MOTION

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on August 9, 2017, at 9:00 a.m., in the Courtroom of the Honorable Phyllis J. Hamilton (Courtroom 3), United States District Judge for the Northern District of California, Courtroom 3, 1301 Clay Street, Oakland, California, 94612, Plaintiffs and Class Counsel¹ in the above-captioned matter will and hereby do move the Court pursuant to Federal Rule of Civil Procedure 23 for an Order granting final approval of the Class Action Settlement Agreement (“Settlement”) and entering final Judgment in this matter.

Plaintiffs’ motion is based on this Notice of Motion and Motion, the Memorandum of Points and Authorities below, the Declaration of Class Counsel filed herewith, the papers filed in support of Plaintiffs’ motion for preliminary settlement approval, the papers filed in support of Class Counsel’s application for attorneys’ fees, the record in this case, and any additional argument and evidence the Court may consider.

Dated: May 26, 2017

By: /s/ Hank Bates

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¹ “Class Counsel” are the firms appointed as Class Counsel pursuant to the Court’s order preliminarily approving the proposed Settlement (the “Preliminary Approval Order”): Lief Cabraser Heimann & Bernstein LLP and Carney Bates & Pulliam, PLLC. (*See* Dkt. 235 at 5).

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Class Counsel

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 Pursuant to Rule 23(e) of the Federal Rules of Civil Procedure (“FRCP”) and the Court’s
4 Preliminary Approval Order, Plaintiffs Matthew Campbell and Michael Hurley (“Plaintiffs”)
5 respectfully request that the Court grant final approval of the settlement (the “Settlement”)
6 reached between Plaintiffs and Defendant Facebook, Inc.

7 At the preliminary approval stage, this Court reviewed the parties’ Settlement and found
8 that certification of the Settlement Class was appropriate for settlement purposes and “the
9 Settlement Agreement is fair, reasonable, adequate, and in the best interest of the Settlement
10 Class.” *See* Dkt. 235 at 3. As demonstrated herein, consideration of the appropriate factors
11 strongly weighs in favor of final approval of the Settlement. Consequently, the Court should grant
12 Plaintiffs’ Motion for Final Approval.

13 **II. BACKGROUND**

14 **A. Plaintiffs’ Claims and Facebook’s Motion to Dismiss**

15 Plaintiffs, on behalf of themselves and those similarly situated, commenced this action
16 (the “Action”) on December 30, 2013. In their initial complaint, Plaintiffs asserted claims for
17 violations of the Electronic Communications Privacy Act, 18 U.S.C. §§ 2510 *et seq.* (“ECPA”);
18 the California Invasion of Privacy Act, Cal. Penal Code §§ 630 *et seq.* (“CIPA”); and California’s
19 Unfair Competition Law California Business and Profession Code §§ 17200 *et seq.* (“UCL”).
20 Plaintiffs alleged that Facebook, as a routine policy and business practice, captured and reads
21 URL Content in its users’ personal, private Facebook messages without their consent for purposes
22 including, but not limited to, data mining, user profiling and generating ‘Likes’ for web pages.

23 On January 21, 2014, David Shadpour filed a related action (referred to collectively with
24 this Action as the “Related Actions”), which alleged similar facts and averred identical causes of
25 action against Facebook (*see Shadpour v. Facebook, Inc.*, No. 5:14-cv-00307-PSG (N.D. Cal.),
26 Dkt. 1).

27 On April 15, 2014, the Court entered an order granting Plaintiffs’ Motion to Consolidate
28 the Related Actions and consolidating the Related Actions for all purposes. (*See* Dkt. 24).

1 Following entry of the Court’s consolidation order, the Class Representatives filed a Consolidated
2 Amended Complaint on April 25, 2014, asserting ECPA, CIPA, and UCL claims on behalf of
3 themselves and a proposed class of “[a]ll natural-person Facebook users located within the United
4 States who have sent or received private messages that included URLs in their content, from
5 within two years before the filing of this action up through and including the date when Facebook
6 ceased its practice.” (*See* Dkt. 25).¹

7 On June 17, 2014, Facebook filed a Motion to Dismiss Plaintiffs’ Consolidated Amended
8 Complaint. (*See* Dkt. 29). Plaintiffs filed an opposition (*see* Dkt. 31), and Facebook, in turn,
9 filed a reply brief (*see* Dkt. 35). On December 23, 2014, the Court issued an order granting in
10 part and denying in part Facebook’s Motion to Dismiss Plaintiffs’ Consolidated Amended
11 Complaint, dismissing the claims under CIPA § 632 and the UCL, but denying dismissal of the
12 claims under ECPA and CIPA § 631. (*See* Dkt. 43).

13 **B. Discovery and Class Certification**

14 Following entry of the Court’s order granting in part and denying in part Facebook’s
15 motion to dismiss the Consolidated Amended Complaint, the parties engaged in almost two years
16 of extensive discovery, including the production of tens of thousands of pages of documents, fact
17 and expert depositions of 18 witnesses (spanning 19 days of testimony), informal conferences and
18 discussions, hundreds of hours reviewing detailed technical documentation, substantial discovery
19 motion practice and the exchange of hundreds of pages of written discovery requests and
20 responses.

21 During the discovery phase, Plaintiffs filed a Motion for Class Certification. (*See* Dkt.
22 138). Defendants filed an opposition (*see* Dkt. 147-4), and Plaintiffs, in turn, filed a reply brief
23 (*see* Dkt. 167). On May 18, 2016, the Court issued an order granting in part and denying in part
24 Plaintiffs’ Motion for Class Certification, denying certification as to a damages class under
25 Federal Rule of Civil Procedure 23(b)(3), but granting certification of an injunctive-relief class
26 under Federal Rule of Civil Procedure 23(b)(2). (*See* Dkt. 192). Specifically, the Court certified

27 _____
28 ¹ On October 2, 2015, David Shadpour voluntarily dismissed his claims, with prejudice, pursuant to Federal Rule of
Civil Procedure 41(a). (*See* Dkt. 123).

1 for class treatment three specific alleged uses by Facebook of URLs included in private messages:
2 (1) Facebook’s cataloging URLs shared in private messages and counting them as a “like” on the
3 relevant third-party website, (2) Facebook’s use of data regarding URLs shared in private
4 messages to generate recommendations for Facebook users, and (3) Facebook’s sharing of data
5 regarding URLs in messages (and attendant demographic data about the messages’ participants)
6 with third parties. (Dkt. 192 at 3-5). In addition, the Court directed the Plaintiffs to file a Second
7 Amended Complaint “(1) revising the class definition to reflect the definition set forth in the class
8 certification motion, and (2) adding allegations regarding the sharing of data with third parties.”
9 (*Id.* at 6). In accord therewith, the Plaintiffs filed their Second Amended Complaint on June 7,
10 2016. (Dkt. 196.)

11 Subsequent to the filing of Plaintiffs’ Second Amended Complaint, discovery in this
12 Action continued.

13 **C. Settlement Negotiations and the Settlement Agreement**

14 The parties’ first mediation occurred on August 19, 2015, which involved a full-day
15 mediation before Cathy Yanni of JAMS. While the parties made strides at this mediation, they
16 were unable to reach an agreement to resolve this Action.

17 Following entry of the Court’s Class Certification Order, the parties revisited the
18 possibility of settlement, agreeing to a second mediation. As such, the parties attended a second
19 mediation session before Cathy Yanni of JAMS on July 21, 2016. While not yielding a resolution
20 to the Action, the parties agreed to come back for a third mediation session, which occurred on
21 July 28, 2016. Although this third mediation was also unsuccessful, the parties made significant
22 progress and narrowed the issues of dispute. For months following the parties’ third mediation
23 session, as discovery continued, the parties also continued to negotiate informally. Eventually, on
24 November 22, 2016, just eight days from the close of fact discovery, the parties notified the Court
25 that they had agreed to attend a fourth mediation, which took place on December 7, 2016 before
26 Randall Wulff.

27 As a result of these cumulative efforts, the parties were able to reach an agreement-in-
28 principle to resolve this Action, and on December 23, 2016, the parties filed a Joint Status Report,

1 advising the Court that they had reached a settlement-in-principle. (*See* Dkt. 222). Thereafter,
 2 the parties worked diligently to memorialize the terms of the settlement in a comprehensive
 3 Settlement Agreement, which was executed by all parties on March 1, 2017 and filed with the
 4 Court on that same date. (*See* Dkt. 227-3.)

5 **III. THE SETTLEMENT**

6 **A. The Settlement Terms**

7 As originally detailed in Plaintiffs' Motion for Preliminary Approval of Class Action
 8 Settlement (Dkt. 227), the Settlement achieves significant changes to Facebook's practices related
 9 to the use of URLs in private messages that address each of the three practices certified for class
 10 treatment by the Court and challenged in the Second Amended Complaint:

11 **1. Cessation of the Three URL Uses Relevant to this Class Action**

12 The Settlement Agreement confirms that Facebook has ceased the following uses of data
 13 from EntShares created from URLs sent in Facebook private messages:

- 14 • **“Like” Count Increment.** From the beginning of the Class Period until on or
 15 about December 19, 2012, Facebook source code was engineered so that when an
 16 anonymous, aggregate count was displayed next to a “Like” button on a third-party
 17 web page, that count often included, *inter alia*, the number of times a URL related
 18 to that particular website had been shared by Facebook users in Facebook
 19 Messages and resulted in creation of an EntShare. On or about December 19, 2012,
 20 Facebook changed its source code such that the external count no longer included
 21 the number of shares, by users, of URLs in private messages that resulted in
 22 creation of EntShares. (Settlement Agreement at ¶ 40(a)(i));
- 23 • **Sharing of URL Data with Third Parties.** Facebook makes its “Insights” user
 24 interface and related API available to owners of third-party websites that choose to
 25 include Facebook tools or features, for purposes of providing anonymous,
 26 aggregate data about interaction with and traffic to their websites. During certain
 27 periods of time during the Class Period, this information included anonymous,
 28 aggregate statistics and demographic information about users who shared links to
 those sites across the Facebook platform. From the beginning of the Class Period
 until on or about October 11, 2012, these statistics and demographic information
 included information about users who shared URLs in Facebook Messages that
 resulted in creation of EntShares. On or about October 11, 2012, Facebook
 changed its source code such that it ceased including information about URL
 shares in Facebook Messages that resulted in creation of EntShares (and attendant
 statistics and demographic information) within Insights and its related API.
 (Settlement Agreement ¶ 40(a)(ii));
- **Use of URL Data to Generate Recommendations.** Facebook's
 Recommendations Feed was a social plugin offered to developers that displayed a
 list of URLs representing the most recommended webpages on that developer's
 site. Over time, two different units of Facebook source code determined the list of

1 URLs that would appear in the Recommendations Feed for a given webpage at a
 2 given time. One of those units of Facebook source code was the “PHP backend.”
 3 Although, during the Class Period, the PHP backend was not the primary system
 4 determining the list of URLs that would appear in the Recommendations Feed, the
 5 PHP backend served as a backup system if the primary system failed. The PHP
 6 backend considered, *inter alia*, an anonymous, aggregate count of, *inter alia*, the
 7 number of times a URL had been shared in a Facebook Message and resulted in
 8 creation of an EntShare. On or about July 9, 2014, Facebook changed its code such
 9 that it ceased utilizing the PHP backend as the backup system for its
 10 Recommendations Feed. (Settlement Agreement ¶ 40(a)(iii));

- 11 • **Use of EntShares created from URLs in Messages.** In addition, Facebook
 12 confirms that, as of the date of execution of the Settlement Agreement, it is not
 13 using any data from EntShares created from URL attachments sent by users in
 14 Facebook Messages for: 1) targeted advertising; 2) sharing personally identifying
 15 user information with third parties; 3) use in any public counters in the “link_stats”
 16 and Graph APIs; and 4) displaying lists of URLs representing the most
 17 recommended webpages on a particular web site. (Settlement Agreement ¶ 40(b));
- 18 • **Disclosure Changes.** Facebook implemented enhanced disclosures after the filing
 19 of this Action that benefited the Class. Specific to the private message function, in
 20 January 2015, Facebook revised its Data Policy to disclose that Facebook collects
 21 the “content and other information” that people provide when they “message or
 22 communicate with others,” and to further explain the ways in which Facebook may
 23 use that content. (Settlement Agreement ¶ 40(c)). Facebook has taken the position
 24 that these changes—implemented during the course of this litigation—were
 25 significant and transparent enough to establish consent to the practices complained
 26 of in this action (or at minimum neutralize any further suggestion that Facebook
 27 users were not aware of the practices complained of in this action).

28 Moreover, as part of the Settlement, Facebook shall also display the following additional
 language, without material variation, on its United States website for Help Center materials
 concerning messages within 30 days of the Effective Date: “We use tools to identify and store
 links shared in messages, including a count of the number of times links are shared.” This
 additional language shall be available on its United States website for a period of one year from
 the date it is posted, provided however that Facebook may update the disclosures to ensure
 accuracy with ongoing product changes. (Settlement Agreement ¶ 40(d)).

23 2. The Release

24 In exchange for the foregoing consideration, Plaintiffs and the Settlement Class Members
 25 will release all claims which have been or could have been asserted against Facebook in this
 26 Action, with the express caveat that the release extends solely to claims for declaratory, injunctive,
 27 and non-monetary equitable relief. Thus, no member of the Settlement Class, with the exception
 28

1 of the Plaintiffs, will be releasing his or her claim for monetary damages or relief under CIPA,
2 ECPA or any other cause of action. (Settlement Agreement ¶¶ 44-55).

3 **3. Attorneys' Fees**

4 Facebook has agreed not to take a position on an application by Class Counsel for an
5 award of \$3,890,000 in attorneys' fees and expenses (which represents a negative lodestar
6 multiplier), and for service awards in the amount of \$5,000 to each of the Plaintiffs serving as a
7 Class Representative. (Settlement Agreement ¶¶ 57 and 60).

8 **B. Notice**

9 In accord with the Settlement Agreement and the Preliminary Approval Order, Facebook
10 served notice of the Settlement, in a form and manner that comports with the requirements of 28
11 U.S.C. § 1715, on appropriate federal and state officials. (Settlement Agreement ¶ 56). In
12 addition, consistent with this Court's Order, notice of the settlement was posted on Class
13 Counsels' websites² on May 3, 2017. This notice included the Court's Order, the Settlement
14 Agreement, and Plaintiffs' Motion for Preliminary Approval of Class Action Settlement. Screen
15 shots of Class Counsel's respective websites are attached as Exhibits 1 and 2 to Declaration of
16 Class Counsel. Additionally, and consistent with the Court's Order, Class Counsel will also post
17 Plaintiffs' Motion for Attorneys' Fees and Incentive Awards and any opposition or reply papers
18 related to any of the motions contemplated in the Court's Order, as such documents are filed.

19 **IV. THE COURT SHOULD GRANT FINAL APPROVAL OF THE SETTLEMENT AS**
20 **FAIR, REASONABLE AND ADEQUATE**

21 The law favors the compromise and settlement of class actions. *See, e.g., Churchill*
22 *Village, LLC v. Gen. Elec.*, 361 F.3d 566, 576 (9th Cir. 2004); *Officers for Justice v. Civil Serv.*
23 *Comm'n of City & Cty. of San Francisco*, 688 F.2d 615, 625 (9th Cir. 1982) (“[V]oluntary
24 conciliation and settlement are the preferred means of dispute resolution. This is especially true in
25 complex class action litigation.”).

26 Evaluating a class-action settlement proposal at the final approval stage requires the
27 District Court to determine whether the proposed settlement, taken as a whole, is fair, reasonable,

28 ² Respectively, www.cbplaw.com and www.lieffcabraser.com.

1 and adequate. *Staton v. Boeing Co.*, 327 F.3d 938, 952 (9th Cir. 2003) (citing *Hanlon v. Chrysler*
2 *Corp.*, 150 F.3d 1011, 1026 (9th Cir. 1997)). To do so, a court should balance the following
3 factors: (1) the strength of the plaintiffs' case; (2) the risk, expense, complexity, and likely
4 duration of further litigation; (3) the risk of maintaining class action status throughout the trial; (4)
5 the benefits offered in the settlement; (5) the extent of discovery completed and the stage of the
6 proceedings; (6) the experience and views of counsel; (7) the presence of a governmental
7 participant; and (8) the reaction of the class members to the proposed settlement. *Hanlon*, 150
8 F.3d at 1026.

9 Application of these factors in this Action demonstrates that the Settlement is fair,
10 reasonable, and adequate. Consequently, the Settlement should be finally approved.

11 **A. The Strength of Plaintiffs' Case Balanced Against the Risk, Expense,**
12 **Complexity, and Likely Duration of Further Litigation**

13 "In determining the probability and likelihood of a plaintiff's success on the merits of a
14 class action litigation, 'the district court's determination is [often] nothing more than an amalgam
15 of delicate balancing, gross approximations and rough justice.'" *Moore v. PetSmart, Inc.*, 2015
16 U.S. Dist. LEXIS 102804, at *19 (N.D. Cal. Aug. 4, 2015) (quoting *Officers for Justice v. Civil*
17 *Serv. Comm'n of City & Cty. of San Francisco*, 688 F.2d 615, 625 (9th Cir. 1982)). "There is no
18 particular formula by which that outcome must be tested." *PetSmart*, 2015 U.S. Dist. LEXIS
19 102804, at *19.

20 Here, as detailed in Section II.B above, the Second Amended Complaint, consistent with
21 this Court's order certifying an injunction-only class, seeks classwide declaratory, injunctive, and
22 non-monetary equitable relief under the ECPA and CIPA related to three specific uses by
23 Facebook of URLs in private messages. The proposed Settlement achieves meaningful relief
24 targeted to each of the three URL uses alleged, as well as significant additions to Facebook's
25 public disclosures regarding its use of Private Message content. Thus, in Plaintiffs' and Class
26 Counsel's views, the Settlement brings Facebook's practices relevant to this Action into
27 compliance with ECPA and CIPA.
28

1 In contrast to the tangible, immediate benefits of the Settlement, the outcome of continued
2 litigation, trial and likely appeals is uncertain and could add years to this litigation. For example,
3 Facebook could file a motion to decertify the Class, a motion for summary judgment, and motions
4 in limine. While Plaintiffs strongly believe in the merits of their case, they recognize that in the
5 context of ECPA's application to electronic messages, there is uncertainty in the law that presents
6 increased risks surrounding such issues as the interpretation of the terms "in transit" and
7 "storage," and that similar uncertainties present themselves in the context of CIPA's application
8 to the practices at bar. Further, had the parties reached the trial stage, this case would have
9 presented a costly, expert-intensive and technically complicated jury trial that would have
10 spanned weeks and necessitated extensive and costly trial preparation. Then, following trial,
11 there would undoubtedly have been appeals, meaning further delay and more costs.

12 Thus, the benefits of Settlement balanced against the length, expense, and uncertainty
13 surrounding future litigation weighs in favor of final approval. *See Rodriguez v. West Publ'g*
14 *Corp.*, 563 F.3d 948, 966 (9th Cir. 2009); *In re Yahoo Mail Litig.*, No. 13-CV-4980-LHK, 2016
15 U.S. Dist. LEXIS 115056, at *20-22 (N.D. Cal. Aug. 25, 2016); *Nat'l Rural Telecomms. Coop. v.*
16 *DIRECTV, Inc.*, 221 F.R.D. 523, 526 (C.D. Cal. 2004) ("The Court shall consider the vagaries of
17 litigation and compare the significance of immediate recovery by way of the compromise to the
18 mere possibility of relief in the future, after protracted and expensive litigation.") (citation
19 omitted); 4 Alba Conte & Herbert B. Newberg on Class Actions §11.50 (4th ed. 2002) ("In most
20 situations, unless the settlement is clearly inadequate, its acceptance and approval are preferable
21 to lengthy and expensive litigation with uncertain results.").

22 **B. The Risk of Maintaining Class Action Status Throughout Trial**

23 It is well-recognized that "[a] district court may decertify a class at any time." *Rodriguez*,
24 563 F.3d at 968 (9th Cir. 2009) (citing *Gen. Tel. Co. of Sw v. Falcon*, 457 U.S. 147, 160 (1982)).
25 Here, Facebook vigorously opposed Plaintiffs' Motion for Class Certification, as its opposition
26 brief shows (*see* Dkt. 147-4). In keeping with Facebook's position and vigor, Plaintiffs believe
27 that Facebook may have pursued a motion for decertification in this Action prior to trial.
28 Although Plaintiffs are confident that a motion to decertify the class would not be successful, they

1 also recognize that maintaining the Class through trial is far from guaranteed in this Action.
2 Consequently, although deemed relatively low, the risk of losing class certification in this Action
3 still weighs in favor of the Settlement. *PetSmart, Inc.*, 2015 U.S. Dist. LEXIS 102804, at *19
4 (“the notion that a district court could decertify a class at any time is an inescapable and weighty
5 risk that weighs in favor of settlement.”).

6 **C. The Benefits Offered in Settlement**

7 As set forth above, the Settlement provides meaningful, non-monetary policy changes that
8 will benefit Facebook users going forward and, in Plaintiffs’ and Class Counsel’s views, ensures
9 Facebook’s compliance with the ECPA and CIPA as to each of the three challenged practices in
10 the Second Amended Complaint. At the same time, the release granted to Facebook in this Action
11 is adequately tailored so that no Settlement Class Member will release his or her claim to
12 monetary damages or relief. As such, the release “adequately balances fairness to absent class
13 members and recovery for plaintiffs with defendants’ business interest in ending th[e] litigation
14 with finality.” *Martin v. Global Tel*Link Corp.*, 2017 U.S. Dist. LEXIS 53899 (C.D. Cal. Apr. 7,
15 2017) (internal quotations and citation omitted).

16 **D. Extent of Discovery and Stage of Proceedings**

17 For the parties “to have brokered a fair settlement, they must have been armed with
18 sufficient information about the case to have been able to reasonably assess its strengths and
19 value.” *Acosta v. Trans Union, LLC*, 243 F.R.D. 377, 396 (C.D. Cal. 2007). “A settlement
20 following sufficient discovery and genuine arms-length negotiation is presumed fair.” *Nat’l*
21 *Rural Telecommunications Coop. v. DIRECTV, Inc.*, 221 F.R.D. 523, 528 (C.D. Cal. 2004).

22 Here, the settlement was negotiated on a developed record at an advanced stage of
23 litigation – near the close of factual discovery after this Court had certified a class for injunctive
24 and declaratory relief. The parties have engaged in extensive discovery and motions practice
25 providing all parties with the information necessary to make an informed evaluation of the case.
26 Specifically, the parties engaged in almost two years of discovery, including the production of
27 tens of thousands of pages of documents, fact and expert depositions of 18 witnesses (spanning
28 19 days of testimony), informal conferences and discussions, hundreds of hours reviewing

1 detailed technical documentation, substantial discovery motion practice and the exchange of
2 hundreds of pages of written discovery requests and responses. Hence, both sides were able to
3 negotiate the Settlement on a fully informed basis and with a thorough understanding of the
4 merits and value of the parties' respective claims and defenses. Accordingly, the extent of
5 discovery completed and the stage of the proceedings weigh strongly in favor of final approval of
6 the Settlement. *DIRECTV, Inc.*, 221 F.R.D. at 528 (“the proposed settlement was reached only
7 after the parties had exhaustively examined the factual and legal bases of the disputed claims” and
8 “[t]his fact strongly militates in favor of the Court’s approval of the settlement.”).

9 **E. The Experience and View of Counsel**

10 The Ninth Circuit has noted that “[p]arties represented by competent counsel are better
11 positioned than courts to produce a settlement that fairly reflects each party’s expected outcome
12 in litigation.” *Rodriguez*, 563 F.3d at 967; *In re Pacific Enters. Sec. Litig.*, 47 F.3d 373, 378 (9th
13 Cir. 1995) (same). As such, “[a] district court is ‘entitled to give consideration to the opinion of
14 competent counsel that the settlement [is] fair, reasonable, and adequate.’” *Ching v. Siemens*
15 *Indus., Inc.*, No. 11-4838-MEJ, 2014 U.S. Dist. LEXIS 89002, at *17 (N.D. Cal. June 27, 2014).

16 Here, based on their analyses of the risks, burdens, and expense of continued litigation as
17 well as their experience litigating other complex class actions, Class Counsel firmly believe the
18 Settlement is fundamentally fair, adequate and reasonable, and in the best interest of the Class. In
19 addition, experienced counsel for Facebook has informed the Court of their view that the
20 settlement is fair, reasonable, and adequate. (*See* Dkt. 230).

21 **F. The Presence of a Governmental Participant**

22 While no governmental entity is a party to this litigation, notice has been issued to the
23 appropriate federal and state officials in accordance with the 28 U.S.C. § 1715, and to date no
24 governmental entity has raised objections or concerns about the Settlement.

25 **G. Lack of Collusion Between the Parties**

26 The Court “must reach a reasoned judgment that the proposed agreement is not the
27 product of fraud or overreaching by, or collusion among, the negotiating parties.” *Class Plaintiffs*
28 *v. City of Seattle*, 955 F.2d 1268, 1290 (9th Cir. 1992) (citations omitted). Where, as here, a

1 settlement is the product of arm's length negotiations conducted by capable and experienced
2 counsel, the court begins its analysis with a presumption that the settlement is fair and reasonable.
3 See 4 Newberg § 11.41; *In re Heritage Bond Litig.*, 2005 U.S. Dist. LEXIS 13555, at *11-12
4 (C.D. Cal. June 10, 2005).

5 In addition, the participation of two highly-respected and neutral mediators across four in-
6 person mediation sessions with the benefit of mature discovery and motion practice underscores
7 the fact that the proposed Settlement is not the product of collusion. *In re Immune Response Sec.*
8 *Litig.*, 497 F. Supp. 2d 1166, 1171 (S.D. Cal. 2007) (involvement of mediator was "highly
9 indicative of fairness"); *Satchell v. Federal Express Corp.*, No. C 03-2659 SI, 2007 U.S. Dist.
10 LEXIS 99066, at *17 (N.D. Cal. Apr. 13, 2007) ("The assistance of an experienced mediator in
11 the settlement process confirms that the settlement is non-collusive.").

12 Thus, as previously determined by this Court in its Preliminary Approval Order, the
13 Settlement in this Action "(a) is the result of serious, informed, non-collusive arms'-length
14 negotiations, involving experienced counsel familiar with the legal and factual issues of this case
15 and made with the assistance and supervision of a mediator; (b) meets all applicable requirements
16 of law, including Federal Rule of Civil Procedure 23, and the Class Action Fairness Act
17 ("CAFA"), 28 U.S.C. § 1715; and (c) is not a finding or admission of liability by Defendant."
18 (Dkt. 235 at 2.)

19 **V. CONCLUSION**

20 For the foregoing reasons, Plaintiffs and Class Counsel respectfully request that the Court
21 enter an Order granting final approval of the Settlement.
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Dated: May 26, 2017

By: /s/ Hank Bates

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18 *Attorneys for Plaintiffs and the Class*

19 UNITED STATES DISTRICT COURT
 20 NORTHERN DISTRICT OF CALIFORNIA

21 MATTHEW CAMPBELL, MICHAEL
 22 HURLEY, on behalf of themselves and all
 others similarly situated,

23 Plaintiffs,

24 v.

25 FACEBOOK, INC.,

26 Defendant.

Case No. 4:13-cv-05996-PJH

**JOINT DECLARATION OF MICHAEL
 SOBOL AND HANK BATES IN SUPPORT
 OF PLAINTIFFS' MOTION FOR FINAL
 APPROVAL OF CLASS ACTION
 SETTLEMENT**

Date: August 9, 2017

Time: 9:00 a.m.

Judge: Hon. Phyllis J. Hamilton

Place: Courtroom 3, 3rd Floor

1 We, Michael Sobol and Hank Bates, declare as follows:

2 1. Michael Sobol is a member in good standing of the California State Bar and a
3 partner in the law firm Lief, Cabraser, Heimann & Bernstein, LLP (“LCHB”), counsel for
4 Plaintiffs and the Class in this proceeding. He is the LCHB attorney principally responsible for
5 overseeing LCHB’s work in this proceeding.

6 2. Hank Bates is a member in good standing of the California and Arkansas State
7 Bars and a partner in the law firm Carney Bates & Pulliam PLLC (“CBP”), counsel for Plaintiffs
8 and the Class in this proceeding. He is the CBP attorney principally responsible for overseeing
9 CBP’s work in this proceeding.

10 3. We submit this declaration jointly in support of Plaintiffs’ Motion for Final
11 Approval of Class Action Settlement.

12 4. Except as otherwise noted, we have personal knowledge of the facts set forth
13 herein, and if called to testify thereto, could and would do so competently, including with respect
14 to the information provided regarding our respective law firms.

15 5. Consistent with the Court’s Order Granting Preliminary Approval of Class Action
16 Settlement as Modified (Dkt. No 235), notice of the settlement in this Action was posted on Class
17 Counsels’ websites¹ on May 3, 2017.

18 6. This notice included the Court’s Order, the Settlement Agreement, and Plaintiffs’
19 Motion for Preliminary Approval of Class Action Settlement.

20 7. Attached hereto as **Exhibit 1** are screen shots of the portions of CBP’s website
21 related to notice of the settlement in this Action. These changes were implemented on May 3,
22 2017 and have remained in place, to date.

23 8. Attached hereto as **Exhibit 2** are screen shots of the portions of LCHB’s website
24 related to notice of the settlement in this Action. These changes were implemented on May 3,
25 2017 and have remained in place, to date.

26 9. In further compliance with the Court’s Order, Class Counsel will post, on their
27 websites, the following documents, as soon as such documents are filed: Plaintiffs’ Motion for

28 ¹ Respectively, www.cbplaw.com and www.lieffcabraser.com

1 Attorneys' Fees and Incentive Awards, and any opposition or reply papers related to any motion
2 identified in ¶ 7.d of the Court's Order.

3

4 I declare under penalty of perjury that the foregoing is true and correct. Executed this
5 26th day of May, 2017 in San Francisco, California.

6

7

/s/ Michael W. Sobol
Michael W. Sobol

8

9 I declare under penalty of perjury that the foregoing is true and correct. Executed this
10 26th day of May, 2017 in Little Rock, Arkansas.

11

12

/s/ Hank Bates
Hank Bates

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EXHIBIT 1

Carney Bates & Pulliam | X
www.cbplaw.com

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ABOUT US

Carney Bates & Pulliam is a law firm based in Little Rock, Arkansas that specializes in class action litigation. From consumer protection to environmental hazards to civil rights to data privacy, we achieve the maximum impact for the greatest number of people.

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PRACTICE AREAS

Our attorneys have a wide array of litigation experience and specialized legal knowledge. The diverse interests and backgrounds within the firm enable us to help clients across a vast spectrum. Our ability to analyze legal and societal trends means that our practice areas keep growing and evolving, changing to fit the needs of our clients.

[Read More](#)

FACEBOOK SETTLEMENT

A California district court has granted preliminary approval to a class action settlement against Facebook, Inc., brought by Carney Bates & Pulliam and Loeff Cabeser Herman & Bernstein.

[Read More](#)

CONTACT US TO LEARN MORE

If you think you have a case, we want to hear from you. Please contact our office for a free consultation.

PHONE & FAX

TOLL FREE: (888) 551-9944
PHONE: 501-312-8500
info.cbplaw.com

ADDRESS

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www.cbplaw.com/facebook-settlement/

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FACEBOOK SETTLEMENT

On April 26, 2017, the Honorable Phyllis J. Hamilton of the United States District Court for the Northern District of California granted preliminary settlement approval to a class action, filed December 31, 2013, alleging that Facebook intercepted the content of Facebook messages, without consent, in violation of the Electronic Communications Privacy Act, 18 U.S.C. §§ 2510, et seq. and Cal. Penal Code §§ 630, et seq. The settlement class includes all natural-person Facebook users located within the United States and its territories who have sent, or received from a Facebook user, private messages that included URLs in their content (and from which Facebook generated a URL attachment), from December 30, 2011 to March 1, 2017. As part of the injunctive-relief only settlement, Facebook has confirmed that the challenged conduct has ceased—namely, Facebook confirms that it no longer utilizes data from URLs within private messages to (1) generate recommendations to its users; (2) share user data with third parties or (3) increase “like” counter numbers on third party websites. In addition, during the course of this litigation, Facebook made changes to its operative disclosures to its users, stating that it collects the “content and other information” that people provide when they “message or communicate with others,”—thereby further explaining the ways in which Facebook may use that content. Facebook has also agreed to display additional educational language on its United States website for Help Center materials concerning its processing of URLs shared within messages.

On August 9, 2017, at 9 a.m., at the United States District Court for the Northern District of California, Oakland Courthouse, Courtroom 3 – 3rd Floor, 1301 Clay Street, Oakland, California 94612, before the Honorable Phyllis L. Hamilton, the Court will hold a hearing to determine whether final approval of this class action settlement is appropriate. If approved, class members will release their ability to seek or obtain any other injunctive relief related to the claims asserted in this lawsuit. Class members will not release any claims for monetary relief.

Class Counsel’s motion in support of final approval of the settlement, application for attorneys’ fees, costs and expenses not to exceed \$3.9 million, including a service award of \$5,000 for each of the two Class Representatives will be filed no later than May 26, 2017. Class members may submit comments or objections to the settlement or the requested fees and expenses. Any opposition, comment, or objection must be filed or mailed to the Court as described at paragraphs 9-11 of the Court’s Order granting Preliminary Approval the link below, no later than June 26, 2017.

You may view the settlement agreement and other related documents (including Plaintiffs’ Motion for Preliminary Approval of Class Action Settlement, the Court’s Order Granting Preliminary Approval of Class Action Settlement, Plaintiffs’ Motions for Final Approval of Class Action Settlement, Attorneys’ Fees and Incentive Awards, and any opposition or reply papers related to these motions) here:

[Settlement Agreement](#)
[Plaintiffs’ Motion for Preliminary Approval of Class Action Settlement](#)
[Court’s Order Granting Preliminary Approval of Class Action Settlement](#)

Further documents to be posted as they are filed.

Plaintiffs and the Class are represented by Carney Bates & Pulliam, PLLC and Loeff, Cabraser, Helmann & Bernstein, LLP.

CONTACT US TO LEARN MORE

If you think you have a case, we want to hear from you. Please contact our office for a free consultation.

PHONE & FAX

TOLL FREE: (888) 551-9944
PHONE: 501-312-8500
Info@cbplaw.com

ADDRESS

Carney Bates & Pulliam, PLLC
519 W. 7th St.
Little Rock Arkansas 72201

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EXHIBIT 2

Facebook Message Scan: x

Secure | <https://www.lieffcabraser.com/privacy/facebook-privacy/>

David

Apps

Bookmarks

Sign in to your account

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WIRED

I've Been Mugged

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Digital Privacy & Data Protection

Facebook Message Scanning Privacy Lawsuit

Issue: Scanning of private messages

Lieff Cabraser represents plaintiffs in litigation against Facebook for allegedly scanning and intercepting users' private email messages on its social network. In December 2013 Facebook users represented by Lieff Cabraser and co-counsel filed a nationwide class action lawsuit alleging that Facebook intercepts certain private data in users' personal and private e-mail messages on the social network and profits by sharing that information with third parties.

May 2, 2017 Update re Case Settlement

On April 26, 2017, a Northern District of California Federal Court granted preliminary settlement approval to a class action, filed December 31, 2013, alleging that Facebook intercepted the content of Facebook messages, without consent. In violation of the Electronic Communications Privacy Act, 18 U.S.C. §§ 2510, et seq, and Cal. Penal Code §§ 630, et seq. The settlement class includes all natural-person Facebook users located within the United States and its territories who have sent, or received from a Facebook user, private messages that included URLs in their content (and from which Facebook generated a URL attachment), from December 30, 2011 to March 1, 2017.

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You may view the settlement agreement and other related documents (including [Plaintiffs' Motion for Preliminary Approval of Class Action Settlement](#), the Court's [Order Granting Preliminary Approval of Class Action Settlement](#), [Plaintiffs' Motions for Final Approval of Class Action Settlement](#), [Attorneys' Fees and Incentive Awards](#), and any opposition or reply papers related to these motions) as these documents become available by clicking on the relevant highlighted text in this paragraph.

Plaintiffs and the Class are represented by Carney Bates & Pulliam, PLLC and Lieff, Cabraser, Heimann & Bernstein, LLP.

Types of Communications Offered on Facebook

Facebook describes the communication options it offers users as, in relevant part, "[d]epending on whom you'd like to share with." The options range from the broadest possible audience (a post which the public may see, including via searches on the internet), to posts viewable by small groups of friends, to Facebook messages shared "privately" with a single individual. Facebook claims the privacy of its messaging function as "unprecedented" in terms of user control and the prevention of unwanted contact.

The Facebook Alleged Privacy Violation Explained

The complaint alleges that when a user composes a private Facebook message and includes a link to a third party website (a "URL"), Facebook does not treat this message as private. Instead, Facebook scans the content of the message, follows the enclosed link, and searches for information to profile the message-sender's web activity. This enables Facebook to mine aspects of user data and profit from that data by sharing it with third parties—namely,

Case Resources

April 26, 2017
Order Granting Preliminary Approval of Class Action Settlement as Modified
U.S. District Court

March 1, 2017
Plaintiffs' Motion for Preliminary Approval of Class Action Settlement
U.S. District Court

December 23, 2014
Order Granting in Part and Denying in Part Motion to Dismiss
U.S. District Court

July 30, 2014
Plaintiffs' Opposition to Motion to Dismiss
U.S. District Court

December 30, 2013
Complaint
U.S. District Court

In the News

February 22, 2016
Facebook Users Push For Class Certification In Message-Scanning Row (subscription)

December 26, 2014
Judge to Facebook: Scan Users' Private Messages for Targeted Advertising, Prepare for Class-Action Lawsuits

Excel 2016

Facebook Message Scan X

Secure | https://www.lieffcabraser.com/privacy/facebook-privacy/

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Types of Communications Offered on Facebook

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Almost all of Facebook's revenues come from third party advertisements that are targeted at users based upon their personal data. "The alleged concealed scanning of private user messages serves as a means for Facebook to gather data to be employed in Facebook's marketing efforts," stated attorney Michael W. Sobol, the chair of Lieff Cabraser's consumer protection practice group.

The complaint alleges that Facebook's scanning of the private messages of its users violates the federal Electronic Communications Privacy Act and California privacy and unfair competition laws.

Contact Lieff Cabraser

If you wish to report any alleged privacy violations by Facebook or other internet companies, **please contact us by filling out the form below.** All information you provide will be held confidential and there is no charge or obligation for our review of your complaint.

We agree to protect your name and all confidential information you submit against disclosure, publication or unauthorized use to the full extent under the law. Please describe your complaint.

Please note: Completion of this form cannot contractually obligate plaintiffs' attorneys to represent you. We can only serve as your attorney if you and we both agree, in writing, that we will serve as your counsel.

First Name (required)

Last Name (required)

Email address (required)

Street Address

City

State/Country

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

MATTHEW CAMPBELL and MICHAEL
HURLEY, on behalf of themselves and all
others similarly situated,

Plaintiffs,

v.

FACEBOOK, INC.,

Defendant.

Case No. 4:13-cv-05996-PJH-SK

**[PROPOSED] ORDER GRANTING FINAL
APPROVAL TO CLASS ACTION
SETTLEMENT**

1 The Court has considered the Class Action Settlement Agreement (“Settlement
2 Agreement”), dated March 1, 2017, the Parties’ motion for an order finally approving the
3 Settlement Agreement, the record in this Action, the arguments and recommendations made by
4 counsel, and the requirements of the law. The Court finds and orders as follows:

5 **I. FINAL APPROVAL OF THE SETTLEMENT AGREEMENT**

6 1. The Settlement Agreement is approved under Rule 23 of the Federal Rules of Civil
7 Procedure. The Court finds that the Settlement Agreement and the Settlement it incorporates
8 appear fair, reasonable, and adequate, and its terms are within the range of reasonableness. The
9 Settlement Agreement was entered into at arm’s-length by experienced counsel after extensive
10 negotiations spanning months, including with the assistance of a third-party mediator. The Court
11 finds that the Settlement Agreement is not the result of collusion.

12 **II. DEFINED TERMS**

13 2. For purposes of this Final Approval Order and Final Judgment (“Order”), the
14 Court adopts all defined terms as set forth in the Settlement Agreement.

15 **III. NO ADMISSIONS AND NO EVIDENCE**

16 3. This Order, the Settlement Agreement, the Settlement provided for therein, and
17 any proceedings taken pursuant thereto, are not, and should not in any event be offered, received,
18 or construed as evidence of, a presumption, concession, or an admission by any Party or any of
19 the Released Persons of wrongdoing, to establish a violation of any law or duty, an admission that
20 any of the practices at issue violate any laws or require any disclosures, any liability or non-
21 liability, the certifiability or non-certifiability of a litigation class in this case, or any
22 misrepresentation or omission in any statement or written document approved or made by any
23 Party.

24 **IV. JURISDICTION**

25 4. For purposes of the Settlement of the Action, the Court finds it has subject matter
26 and personal jurisdiction over the Parties, including all Settlement Class Members, and venue is
27 proper.

28

1 **V. CLASS CERTIFICATION OF RULE 23(B)(2) CLASS FOR SETTLEMENT**
2 **PURPOSES ONLY**

3 5. The Court finds and concludes that, for the purposes of approving this Settlement
4 only, the proposed Rule 23(b)(2) Settlement Class, which expands the class certified by the Court
5 on May 18, 2016, meets the requirements for certification under Rule 23 of the Federal Rules of
6 Civil Procedure: (a) the Settlement Class is so numerous that joinder of all members is
7 impracticable; (b) there are questions of law or fact common to the Settlement Class; (c) the
8 claims or defenses of the Class Representatives are typical of the claims or defenses of the
9 Settlement Class; (d) Class Representatives and Class Counsel will fairly and adequately protect
10 the interests of the Settlement Class because Class Representatives have no interests antagonistic
11 to the Settlement Class, and have retained counsel who are experienced and competent to
12 prosecute this matter on behalf of the Settlement Class; and (e) the Defendant has acted on
13 grounds that apply generally to the Settlement Class, so that final injunctive relief is appropriate
14 respecting the Settlement Class as a whole.

15 6. The Settlement Agreement was reached after extensive investigation and motion
16 practice in the Action, and was the result of protracted negotiations conducted by the Parties, over
17 the course of several months, including with the assistance of a mediator. Class Representatives
18 and Class Counsel maintain that the Action and the claims asserted therein are meritorious and
19 that Class Representatives and the Class would have prevailed at trial. Defendant denies the
20 material factual allegations and legal claims asserted by Class Representatives in this Action,
21 maintains that a class would not be certifiable under any Rule, and that the Class Representatives
22 and Class Members would not prevail at trial. Notwithstanding the foregoing, the Parties have
23 agreed to settle the Action pursuant to the provisions of the Settlement Agreement, after
24 considering, among other things: (a) the benefits to the Class Representatives and the Settlement
25 Class under the terms of the Settlement Agreement; (b) the uncertainty of being able to prevail at
26 trial; (c) the uncertainty relating to Defendant's defenses and the expense of additional motion
27 practice in connection therewith; (d) obstacles to establishing entitlement to class-wide relief; (e)
28 the attendant risks of litigation, especially in complex actions such as this, as well as the

1 difficulties and delays inherent in such litigation and appeals; and (f) the desirability of
2 consummating the Settlement promptly in order to provide effective relief to the Class
3 Representatives and the Settlement Class.

4 7. The Court accordingly certifies, for settlement purposes only, a class under Rule
5 23(b)(2), consisting of all natural-person Facebook users located within the United States and its
6 territories who have sent, or received from a Facebook user, private messages that included URLs
7 in their content (and from which Facebook generated a URL attachment), from December 30,
8 2011 to March 1, 2017. Excluded from the Settlement Class are (i) all Persons who are directors,
9 officers, and agents of Facebook or its subsidiaries and affiliated companies or are designated by
10 Facebook as employees of Facebook or its subsidiaries and affiliated companies; and (ii) the
11 Court, the Court's immediate family, and Court staff, as well as any appellate court to which this
12 matter is ever assigned, and its immediate family and staff.

13 **VI. NOTICE**

14 8. The Court finds that the forms, content, and methods of disseminating notice to the
15 Class Members previously approved and directed by the Court have been implemented by the
16 Parties and (i) comply with Rule 23(c)(2) of the Federal Rules of Civil Procedure as they are the
17 best practicable notice under the circumstances and are reasonably calculated, under all the
18 circumstances, to apprise the Class Members of the pendency of this Action, the terms of the
19 Settlement, and their right to object to the settlement; (ii) comply with Rule 23(e) as they are
20 reasonably calculated, under the circumstances, to apprise the Class Members of the pendency of
21 the Action, the terms of the proposed settlement, and their rights under the proposed settlement,
22 including, but not limited to, their right to object to the proposed Settlement and other rights
23 under the terms of the Settlement Agreement; (iii) comply with Rule 23(h) as they are reasonably
24 calculated, under the circumstances, to apprise the Class Members of any motion by Class
25 Counsel for reasonable attorney's fees and nontaxable costs, and their right to object to any such
26 motion; (iv) constitute due, adequate, and sufficient notice to all Class Members and other
27 persons entitled to receive notice; and (v) meet all applicable requirements of law, including, but
28

1 not limited to, 28 U.S.C. § 1715, Fed. R. Civ. P. 23(c), (e), and (h), and the Due Process Clause(s)
2 of the United States Constitution.

3 **VII. CLAIMS COVERED AND RELEASES**

4 9. This Order constitutes a full, final and binding resolution between the Class
5 Representatives' Releasing Parties, on behalf of themselves and the Settlement Class Members,
6 and the Released Parties. This Release shall be applied to the maximum extent permitted by law.

7 10. Upon the Effective Date and by operation of this Order, the Class Representatives'
8 Releasing Parties will fully, finally, and forever release any and all Class Representatives'
9 Released Claims, including claims for personal injury and damages, known and unknown, as well
10 as provide a waiver under California Civil Code Section 1542. Class Representatives' Releasing
11 Parties are forever enjoined from taking any action seeking any relief against the Released Parties
12 based on any Class Representatives' Released Claims.

13 11. Upon the Effective Date and by operation of this Order, the Releasing Parties will
14 fully, finally, and forever release the Settlement Class Members' Released Claims (as well as
15 provide a waiver under California Civil Code Section 1542), including any and all claims for
16 injunctive and/or declaratory relief of any kind or character, at law or equity, known or unknown,
17 preliminary or final, under Federal Rule of Civil Procedure 23(b)(2) or any other federal or state
18 law or rule of procedure, from the beginning of the Class Period up until and including the
19 Effective Date, that result from, arise out of, are based on, or relate in any way to the practices
20 and claims that were alleged in, or could have been alleged in, the Action, except that,
21 notwithstanding the foregoing, the Releasing Parties do not release claims for monetary relief or
22 damages. The Releasing Parties are forever enjoined from taking any action seeking injunctive
23 and/or declaratory relief against the Released Parties based on any Settlement Class Members'
24 Released Claims.

25 12. Upon the Effective Date and by operation of this Order, Facebook will fully,
26 finally, and forever release, waive, and discharge all legal claims, causes of action, cross-claims,
27 or counter-claims against Class Representatives' Releasing Parties that result from, arise out of,
28 are based on, or relate in any way to the practices and claims that were alleged in, or could have

1 been alleged in, the Action. Facebook is forever enjoined from taking any action seeking any
2 relief against the Class Representatives' Releasing Parties based on any of Facebook's Released
3 Claims.

4 13. The Settlement Agreement and this Order shall be the exclusive remedy for any
5 and all Released Claims of the Class Representatives, Settlement Class Members, and Facebook.

6 **VIII. INJUNCTIVE RELIEF**

7 14. Facebook shall display the following language, without material variation, on its
8 United States website for Help Center materials concerning messages within 30 days of the
9 Effective Date: "We use tools to identify and store links shared in messages, including a count of
10 the number of times links are shared." Facebook shall make this language available on its United
11 States website for a period of one year from the date it is posted, provided however that Facebook
12 may update the disclosures to ensure accuracy with ongoing product changes.

13 **IX. ATTORNEYS' FEES AND EXPENSES AND INCENTIVE AWARDS**

14 15. The Court's decision regarding the payment of attorneys' fees and expenses to
15 Class Counsel and incentive awards to the Class Representatives is addressed in a separate order.

16 **X. AUTHORIZATION TO PARTIES TO IMPLEMENT AGREEMENT AND**
17 **MODIFICATIONS OF AGREEMENT**

18 16. By this Order, the Parties are hereby authorized to implement the terms of the
19 Settlement Agreement. After the date of entry of this Order, the Parties may by written
20 agreement effect such amendments, modifications, or expansions of the Settlement Agreement
21 and its implementing documents (including all exhibits thereto) without further approval by the
22 Court if such changes are consistent with terms of this Order and do not materially alter, reduce,
23 or limit the rights of Settlement Class Members under the Settlement Agreement.

24 **XI. RETENTION OF JURISDICTION**

25 17. The Court shall retain jurisdiction over any claim relating to the Settlement
26 Agreement (including all claims for enforcement of the Settlement Agreement and/or all claims
27 arising out of a breach of the Settlement Agreement) as well as any future claims by any
28 Settlement Class Member relating in any way to the Released Claims.

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XII. FINAL JUDGMENT AND DISMISSAL WITH PREJUDICE

18. By operation of this Order, this Action is hereby dismissed with prejudice. A separate judgment shall be entered pursuant to Rule 58 of the Federal Rules of Civil Procedure.

IT IS SO ORDERED.

DATED: _____

HONORABLE PHYLLIS J. HAMILTON
UNITED STATES DISTRICT JUDGE