## Hagens Berman: Facebook Hit with Class-Action Lawsuit Following Massive User Data Scandal Monday, April 09, 2018 09:13:00 PM (GMT)

Lawsuit states Facebook "stood idly by" as a "treasure trove of data" was transferred to third-party Cambridge Analytica

Facebook users today hit the social media giant with a <u>class-action lawsuit</u> accusing it of unjust enrichment and violation of privacy and consumer-protection laws when it permitted app developers and other third parties to exploit its "lax to non-existent enforcement practices," according to Hagens Berman.

The lawsuit filed Apr. 9, 2018, in the U.S. District for the Northern District of California seeks to represent a class of the estimated 70 million U.S. Facebook users whose data was harvested in 2014 and siphoned off to third-party companies who purchased the Facebook user data to influence voting in U.S. elections. The law firm behind the case has represented millions of consumers in class-action cases, recovering more than \$200 billion in victories and settlements.

If you had a Facebook account in 2014 and you or one of your Facebook friends used a personality quiz Facebook app "thisismydigitallife," you may be affected. Find out more about the lawsuit and sign up here.

"Facebook has repeatedly failed to uphold its own privacy agreements and policies, and it's brazenly neglected the data security of the billions of those who use its social media service," said Steve Berman, managing partner of Hagens Berman. "Instead of choosing to be vigilant, making appropriate investments in data security and stopping this massive harvesting of users' information by third parties, Facebook stood by as the private information of millions was funneled into the hands of bad actors."

## Facebook's Failure to Protect Consumer Data

According to the lawsuit, in 2014, "Facebook stood idly by" while an app developer "sucked down the data portfolios of 70-million-plus of its users."

The app developer, Cambridge University researcher Aleksandr Kogan, designed and used a Facebook personality quiz app called "This is my digital life" (also referred to as "thisismydigitallife") which prompted users to give access to their own information and that of their Facebook friends. When users did as they were asked, Facebook data that their friends had allowed them to see were gathered by Kogan's English company, GSR, for sale to another English company, GSL Elections. The data eventually was transferred to Cambridge Analytica.

Since the initial data harvest involving Cambridge Analytica, Facebook "made only the weakest attempts to prevent further access to this data," the complaint states. Facebook asked these third parties to certify they had destroyed the data; however, as expected, this had little to no impact, according to attorneys. Reports indicate some or all of this trove of data still exists on the web.

The lawsuit states that beginning with that instance, Facebook violated breached its agreements with its users, violated its own policies, and broke privacy and consumer-protection laws.

Also, according to the complaint, Facebook has been unjustly enriched at the expense of the proposed class. When users allowed Facebook access to their personal information in order to use the social network, they did so on the condition that it would be protected and shared only under the terms of the agreements and policies that protected it. When Facebook skimped on data protection to save money, thereby enhancing its profits, its users paid the price. Also, Facebook was unjustly enriched when it used this data to make money from its advertising business, even as it was failing to protect it. According to Hagens Berman attorneys, Facebook should have to disgorge these unjust profits to affected users.

"Facebook has made immense profits off of the data of our plaintiffs and the rest of the estimated 70 million U.S. Facebook users whose data was freely given to third parties without their knowledge or consent," Berman said. "We believe they deserve payback. Facebook should not have been allowed to profit from this data, and it violated its own terms for profit."

The lawsuit states, "Though Facebook touts its network as free to use, it is anything but."

"Had a brave whistleblower not come forward with this information, tens of millions of Facebook users would have never known the truth," Berman said.

The lawsuit seeks compensation for those affected by the covert data usage. Also, it seeks appropriate injunctive relief to ensure that its users are not injured by similar shenanigans again.

Find out more about the <u>class-action lawsuit against Facebook</u>.

## **About Hagens Berman**

Hagens Berman Sobol Shapiro LLP is a consumer-rights class-action law firm with 11 offices across the country. The firm has been named to the National Law Journal's Plaintiffs' Hot List eight times. More about the law firm and its successes can be found at <a href="https://www.hbsslaw.com">https://www.hbsslaw.com</a>. Follow the firm for updates and news at <a href="mailto:QClassActionLaw">QClassActionLaw</a>.

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