#### Facebook Is Flying Too High Again

https://www.wsj.com/articles/facebook-is-flying-too-high-again-11549024201?st=fmceetvv2kqshu9&reflink=desktopwebshare\_permalink

Feb. 1, 2019 at 7:30 am ET

- After two disappointing quarters, Facebook managed to report continued user growth and a nearly 30% jump in advertising revenue for the December quarter.
- That helped Facebook's share price surge more than 10% on Thursday—the best single-day gain in three years.
- But Facebook is also in the early stages of its race to match the rapidly evolving preferences of its mammoth user base. In doing so, the company is reportedly working to move ads from its public newsfeeds to more intimate forums like Stories, video and messaging. Still, of the 7 million active advertisers across Facebook's services, less than 20% are currently using Stories to advertise, the company said.
- Facebook admits that this shift to newer platforms has contributed to its recent sales growth
  deceleration. The company's challenge will be to not only increase revenue in places ads are already
  being offered, such as on Instagram, but also to transform platforms that traditionally have been adfree, such as WhatsApp.
- Surprisingly, half of adults surveyed last year by internet privacy company DuckDuckGo weren't aware that Facebook owns WhatsApp.
- Facebook spent \$22 billion in 2014 to acquire the messaging platform, along with the names and phone numbers of its user base.
- People say they like WhatsApp because it is private, according to the Reuters Institute's 2018 Digital News Report.

#### Facebook's Timeline: 15 Years In

https://www.wsj.com/articles/facebooks-timeline-15-years-in-11549276201?mod=Searchresults pos15&page=1

Feb. 4, 2019 at 5:30 am ET

#### OVERALL TALKS ABOUT THE HISTORY OF THE COMPANY - GOOD IN GENERAL FOR REFERENCE.

- Facebook was created by Mark Zuckerberg in a Harvard dorm room in February 2004 as a way for Ivy League buddies to socialize.
- Fifteen years later, as of Dec. 31, it had 2.32 billion customers who use it at least once a month.
- Along the way, the company went public, became a force as mobile devices proliferated and now faces questions about its role in shaping public opinion and its handling of all this private data.
- Going Public Facebook became a publicly owned company in 2012, but its stock wasn't an immediate hit The original 'The Facebook' login screen in February 2004.
- Growing Older In the U.S., Facebook has seen its usage among younger Americans decline in recent years but pick up among older generations.

## U.K. Lawmakers Rebuke Facebook in Call for Social-Media Regulation

https://www.wsj.com/articles/u-k-committee-rebukes-facebook-in-call-for-social-media-regulation-11550448060?st=h49a6jfx6xsj4dg&reflink=desktopwebshare\_permalink

Updated Feb. 17, 2019 at 8:27 pm ET

- A U.K. parliamentary committee rebuked Facebook Inc. in a report that calls for regulation and intensified scrutiny of social-media companies.
- The report urged a compulsory code of ethics for technology companies to deal with harmful or illegal content on their sites.

- Large sections of the report were devoted to criticism of Facebook, which it said had intentionally and knowingly violated both privacy and anticompetition laws in how it handled user data and tried to stifle competitors.
- The report expressed concern at the "porous nature of Facebook data security protocols" and accused the company of continuing to choose profit over data privacy.
- Six4Three sued Facebook in 2015, alleging the social network's data policies were anticompetitive and favored certain companies over others.
- Emails show Facebook as far back as 2011 wrestling with where to draw the line on protecting users. In an internal email that year, a Facebook executive told colleagues he feared the company was routinely erring too far on the side of outside developers who use Facebook, rather than users.
- It noted that under EU rules now law in the U.K., such inferred data wasn't protected like personal data, suggesting this was a loophole regulators should address.
- It also said Mr. Zuckerberg had shown "contempt for the U.K. Parliament" for refusing to appear before the committee. "

# **★** You Give Apps Sensitive Personal Information. Then They Tell Facebook.

https://www.wsj.com/articles/you-give-apps-sensitive-personal-information-then-they-tell-facebook-11550851636?mod=Searchresults\_pos9&page=1

Feb. 22, 2019 at 11:07 am ET

- Millions of smartphone users confess their most intimate secrets to apps, including when they want to
  work on their belly fat or the price of the house they checked out last weekend. Other apps know users'
  body weight, blood pressure, menstrual cycles or pregnancy status.
- The apps often send the data without any prominent or specific disclosure, the testing It is already known that many smartphone apps send information to Facebook about when users open them, and sometimes what they do inside.
- Previously unreported is how at least 11 popular apps, totaling tens of millions of downloads, have also been sharing sensitive data entered by users.
- Facebook said some of the data sharing uncovered by the Journal's testing appeared to violate its business terms, which instruct app developers not to send it "health, financial information or other categories of sensitive information."
- In the case of apps, the Journal's testing showed that Facebook software collects data from many apps even if no Facebook account is used to log in and if the end user isn't a Facebook member.
- Facebook said it is telling apps flagged by the Journal to stop sending information its users might regard as sensitive
- Flo Health's privacy policy says it won't send "information regarding your marked cycles, pregnancy, symptoms, notes and other information that is entered by you and that you do not elect to share" to third-party vendors.
- Flo initially said in a written statement that it doesn't send "critical user data" and that the data it does send Facebook is "depersonalized" to keep it private and The Journal's testing, however, showed sensitive information was sent with a unique advertising identifier that can be matched to a device or profile.
- The Journal tested more than 70 apps that are among the most popular in Apple's iOS store in categories that handle sensitive user information.
- Among the top 10 finance apps in Apple's U.S. app store as of Thursday, none appeared to send sensitive information to Facebook, and only two sent any information at all.
- But at least six of the top 15 health and fitness apps in that store sent potentially sensitive information immediately after it was collected.
- But the spokeswoman said Facebook doesn't use custom events—the ones that can contain sensitive information—for those purposes.
- She said Facebook automatically deletes some sensitive data it might receive, such as Social Security numbers.

- Apps often integrate code known as software-development kits, or SDKs, that help developers integrate
  certain features or functions. Any information shared with an app may also be shared with the maker of
  the embedded SDK. There are an array of SDKs, including Facebook's, that allow apps to better
  understand their users' behavior or to collect data to sell targeted advertising.
- Facebook's SDK, which is contained in thousands of apps, includes an analytics service called "App Events" that allows developers to look at trends among their users. Apps can tell the SDK to record a set of standardized actions taken by users, such as when a user completes a purchase. App developers also can define "custom app events" for Facebook to capture—and that is how the sensitive information the Journal detected was sent.
- The EU's new privacy law usually requires companies to secure explicit consent to collect, process or share such data—and making consent a condition of using a service usually isn't valid.
- The Facebook spokeswoman said the company is in compliance with the EU privacy law.
- Facebook allows users to turn off the company's ability to use the data it collects from third-party apps and websites for targeted ads.
- Under pressure over its data collection, Facebook Chief Executive Mark Zuckerberg said last year that the company would create a feature called "Clear History" to allow users to see what data Facebook had collected about them from applications and websites, and to delete it from Facebook. The company says it is still building the technology needed to make the feature possible.
- Chief Financial Officer David Wehner noted that investors should be aware that Apple and Google could
  possibly tighten their privacy controls around apps. That possibility, he said, is "an ongoing risk that
  we're monitoring for 2019."

## Facebook to Pull Controversial Onavo App

https://www.wsj.com/articles/facebook-to-pull-controversial-onavo-app-11550865297?st=q6k5etvg9gmz77u&reflink=desktopwebshare\_permalink

Feb. 22, 2019 at 2:54 pm ET

- Facebook Inc. is shutting down its Onavo app that tracks user behavior, a sign the social-media titan is rethinking how it collects information about users amid widespread privacy concerns.
- Facebook said on Thursday it would be removing Onavo from the Google Play store, and plans to eventually shut down the app entirely.
- Apple Inc. pulled the Onavo app from its App Store in August for violating its data-collection policies.
- The Wall Street Journal reported Friday that the social-media giant collects intensely personal information from many popular smartphone apps, often without prominent or specific disclosure.
- In 2014, Facebook used Onavo data to inform its \$22 billion purchase of the messaging service WhatsApp.
- The app also redirects users' traffic to Facebook's servers so that Facebook can log the action in a database to determine which apps people generally are using, how frequently and for how long.
- Facebook also said it would no longer conduct unpaid market research of the sort Onavo enabled.

# **Cuomo Calls for Probe Into Facebook's Collection of Sensitive Data from Apps**

 $\frac{https://www.wsj.com/articles/cuomo-calls-for-probe-into-facebooks-collection-of-sensitive-data-from-apps-11550868222?st=yc13a73sbxabkqi&reflink=desktopwebshare\_permalink\_$ 

Updated Feb. 22, 2019 at 6:48 pm ET

- New York Gov. Andrew Cuomo ordered an investigation into how Facebook Inc. accesses people's
  personal information in response to an analysis by The Wall Street Journal that showed the social-media
  giant collects sensitive data from smartphone apps including users' menstrual cycles and blood pressure.
- In a statement, Mr. Cuomo called the data collection "an outrageous abuse of privacy."
- He also called on federal regulators to join and "help us put an end to this practice."

- A Facebook spokeswoman said it was common for developers to share information across platforms to improve advertising and analytics. "
- Facebook has previously said some of the data sharing uncovered by the Journal's testing appeared to
  violate its business terms, which instruct app developers not to send it "health, financial information or
  other categories of sensitive information."
- Facebook said it is telling apps flagged by the Journal to stop sending information its users might regard as sensitive.
- Apps that sent information to Facebook included heart-rate monitor HR Monitor and menstruation-tracking app Flo Period & Ovulation Tracker, the Journal's testing showed. "

#### Popular Apps Cease Sharing Data With Facebook

https://www.wsj.com/articles/popular-apps-cease-sharing-data-with-facebook-11551044791?st=nd4014b9xps1nsf&reflink=desktopwebshare\_permalink

Updated Feb. 24, 2019 at 5:46 pm ET

- Popular health and fitness apps scrambled to stop sending sensitive personal information to Facebook
  Inc. after The Wall Street Journal reported Friday many were transmitting detailed information about
  topics including their users' weight and menstrual cycles.
- Since Friday, at least four of the apps that the Journal had identified and contacted as part of its
  reporting issued updates to cut off transmission of sensitive data to Facebook, a new round of testing
  showed Sunday.
- The apps that made the change include Flo Health Inc.'s Flo Period & Ovulation Tracker and Azumio Inc.'s Instant Heart Rate: HR Monitor, the tests showed.
- The Facebook analytics service the apps used allowed their developers to see the sensitive data in an aggregated form—and target their users with ads on Facebook based on that information.
- The sensitive information was shared with Facebook regardless of whether the app user was a member of the social network, the testing showed.
- New York Gov. Andrew Cuomo on Friday ordered state agencies to investigate apps' transmission of
  personal information to Facebook described in the Journal report and urged regulators in Washington to
  look into the matter as well.
- A Facebook spokeswoman said that such data sharing is "industry-standard practice."

#### Why Facebook Still Seems to Spy on You

https://www.wsj.com/articles/facebook-ads-will-follow-you-even-when-your-privacy-settings-are-dialed-up-11551362400?st=4ux616uvrhdp6ba&reflink=desktopwebshare permalink

Feb. 28, 2019 at 9:00 am ET

- What I've learned is that our ability to control ad tracking is limited and that much of what Facebook claims should come with lengthy footnotes.
- As my colleague Sam Schechner demonstrated, some app developers aren't doing us any favors. They
  share personal data with Facebook—down to <u>when a woman is ovulating</u>—without adequately
  disclosing they're doing so.
- Facebook and others call this "<u>industry standard practice</u>." But does anyone outside of the industry know that? And why does the standard have to mean someone telling Facebook every time I tap or click anything? I never opted in, and in some cases, data is shared before you can even click Accept on a privacy policy.
- But the spokeswoman did confirm Facebook and Instagram still show location-based ads to users who have location services turned off. And it <u>isn't something you can opt out of</u>.
- Turning off location services on your phone stops your device from sending Facebook your "precise" location, <u>says a support tutorial</u>. Facebook says it "may still understand your location using things like check-ins, events and information about your internet connection."
- Facebook says it doesn't use Wi-Fi or Bluetooth to target people with location services turned off, but it will use their IP (aka internet protocol) addresses.

- Facebook has for years had a tool that's supposed to tell you more about why you're seeing an ad. Unfortunately, clicking "More information" often produces vague, unsatisfying results.
- Some companies do run campaigns targeting a broad swath of people. But when you're regularly seeing highly relevant ads, it's clear that Facebook isn't being specific enough about how the ad was actually targeted. And on Instagram, no such feature exists—you can hide ads but there's no information about why you're receiving them. Facebook says it is working on building ad-transparency features for Instagram. It's also planning to share more details about why someone is seeing an ad on Facebook.
- Facebook's <u>Pixel web tracker</u> and <u>SDK tool</u> for apps allow independent developers to track visitors to their sites and apps and retarget them with ads on Facebook and Instagram, among other things.
- It doesn't just stop ads based on Pixel or SDK data. If an advertiser is trying to reach users who bought something from one of its stores, for instance, and it tries to target them using its <u>uploaded sales</u> <u>data</u>, Facebook will prevent that ad from appearing in the feeds of anyone with the setting enabled. If an advertiser has its own list of customers who recently purchased something, however, it can still use that to target Facebook users who have opted out.
- I asked Facebook why I was still seeing ads that seemed tied to my browsing history. A spokesman confirmed that the setting only covers data that Facebook itself handles. Facebook can't guarantee that users won't see ads influenced by browsing data that comes from a source other than Facebook.

## New York Requests Documents from Facebook, Apps on Data Sharing

https://www.wsj.com/articles/new-york-requests-documents-from-facebook-apps-on-data-sharing-11551373115?st=01072i50ztygmgq&reflink=desktopwebshare\_permalink Updated Feb. 28, 2019 at 5:11 pm ET

- A New York regulator is ramping up a promised investigation of how Facebook Inc. gathered sensitive
  personal information from popular smartphone applications, after a report by The Wall Street Journal
  revealed that some apps were sending the social-media giant data, including users' body weight and
  menstrual cycles.
- Last year, the U.K.'s privacy regulator fined Facebook £500,000 (\$665,000) for allowing political data firm Cambridge Analytica to access data on tens of millions of Facebook users.
- The U.S. Federal Trade Commission is currently also investigating the company.
- On Thursday, Ireland's privacy regulator said that it has 10 open investigations into whether Facebook or its subsidiaries have violated the European Union's new privacy law, called GDPR.
- Facebook also said that it prohibits apps from using the app event system to send sensitive health or financial information, and that it has instructed the apps in the Journal report to stop doing so.
- Following the Journal report, at least five of the apps mentioned have either removed Facebook's SDK from their app or stopped sending the social network the sensitive information.
- New York's investigation into the matter is being led by the state's Financial Services Department.

## Facebook Sues Chinese Companies for Creating Fake Accounts

 $\frac{https://www.wsj.com/articles/facebook-sues-china-companies-for-creating-fake-online-accounts-11551702165?st=3t2ldqqueetj12m&reflink=desktopwebshare\_permalink$ 

Updated March 4, 2019 at 9:48 am ET

- Facebook Inc. and its photo-sharing app Instagram sued four companies and three people based in China for allegedly creating and selling fake online accounts, likes and followers that were used for misinformation campaigns and other scams.
- Fake accounts were also created on other platforms including Amazon, Apple, Google and Twitter, according to the suit.
- In China, Facebook's social network has been blocked since 2009, which has pushed the company to pursue other avenues to gain entree into the country.

- Chief Executive Mark Zuckerberg, who has made China a priority, regularly turns up at gatherings and conferences in the country.
- The three people named in the complaint are Wei Gao, Zhaochun Liu and Zhaoping Liu.
- In the first nine months of 2018, Facebook and Instagram collectively disabled more than 2.1 billion accounts, according to the complaint. "
- Facebook is seeking an injunction and \$100,000 in damages.

#### Facebook Plans New Emphasis on Private Communications

https://www.wsj.com/articles/facebook-plans-new-emphasis-on-private-communications-11551899847?st=5jaxj1nkdl4b8k2&reflink=desktopwebshare\_permalink

Updated March 6, 2019 at 7:24 pm ET

- In a major shift in strategy, Facebook plans to offer encrypted messaging across all of its major products and allow people to make private conversations ephemeral, Chief Executive Mark Zuckerberg wrote in a blog post.
- It also will develop products within those messaging services—such as payments and e-commerce—that eventually could allow it to diversify from the ad-supported business model that led to a number of privacy missteps, he said.
- Facebook wouldn't be able to read messages that are end-to-end encrypted, nor could advertisers mine their contents to target users.
- By building an impregnable wall around large swaths of user conversations, Facebook also would in
  effect be limiting its own responsibility for policing content—an area where it has been investing billions
  of dollars in recent years in response to widespread abuse and misinformation on the platforms.
- If Facebook's efforts are well-received by users focused on privacy, they likely won't be praised by governments, which would also be blocked from accessing encrypted messages.
- The changes aren't imminent, Mr. Zuckerberg told the Journal, with the encryption currently standard on WhatsApp not planned to roll out on Facebook's other messaging products until at least next year.
- As part of its encryption push, Facebook also will focus on bringing interoperability to its three central platforms: Facebook, WhatsApp and Instagram.

## **★**○ When Mark Zuckerberg Said Privacy, He Didn't Mean Privacy From Facebook

https://www.wsj.com/articles/when-mark-zuckerberg-said-privacy-he-didnt-mean-privacy-from-facebook-11551991351?st=2immtueqjwth5x1&reflink=desktopwebshare\_permalink

March 7, 2019 at 3:42 pm ET

- The CEO's privacy manifesto is a road map for getting the company's services more embedded in our daily lives so it can gather data in new and creative ways
- Mark Zuckerberg has outlined a new vision for Facebook Inc. that he says is focused on privacy.
- What the Facebook chief executive's manifesto really promises is a more tightly integrated version of Facebook's various apps and services, cloaked in the raiments of privacy but, in fact, continuing to operate in contradiction to it.
- Facebook would still gather data from its existing sources—the core social network, its Instagram app, a
  web- wide tracking system and countless apps that sometimes send the company deeply personal
  information—but also increasingly from messaging apps.
- These would double as interfaces with businesses and, eventually, usurp the functions of our credit cards and digital wallets. (He mentioned "payments" in his note four times.)

- It's clear Facebook must follow its users to the services they are turning to as alternatives to its flagship, and there can be no doubt that internal numbers, some of which Mr. Zuckerberg referenced, show people devoting more time to messaging, small groups and ephemeral posts like Instagram stories.
- Mr. Zuckerberg says Facebook doesn't use message content to target ads, just as Google doesn't scan the contents of Gmail messages to serve ads.
- It's clear his company intends to continue to advertise to us, even on its encrypted platforms.
- Mr. Zuckerberg said he has no plans to eliminate or even change Facebook's News Feed or stories in Instagram, Facebook's groups or any other part of what he calls Facebook's public square.
- That Facebook wants to make it possible for dissidents to use its services to communicate securely is admirable, but must be weighed against the fact that this will put even more of the communications on Facebook beyond the reach of the company's own content filters. Pivoting to privacy is a neat judo move for Facebook, as the company's former chief security officer Alex Stamos <u>observed on</u>
  <u>Twitter</u>. It allows the company to absolve itself of responsibility for the content that passes through its systems, while also allowing it to claim a victory for individual freedom.
- Nothing in Mr. Zuckerberg's manifesto or subsequent statements question the fundamental premise of Facebook's business, which is gathering more data about us in order to reach us with more-targeted and effective advertising.

#### **Facebook Cracks Down on Vaccine Misinformation**

https://www.wsj.com/articles/facebook-cracks-down-on-vaccine-misinformation-11551989347?st=ei1qogz2z1ldqqt&reflink=desktopwebshare\_permalinkUpdated March 7, 2019 at 3:39 pm ET

- In its crackdown, Facebook will ban ads that include misinformation about vaccines and will tweak its algorithms so pages that spread this type of content are no longer recommended.
- The company said it was too early to speculate on how it might police vaccine misinformation on these messaging platforms, whose content isn't visible to Facebook, but said that it was committed to safety.
- Facebook has already limited users' ability to forward messages on its encrypted WhatsApp platform, in a bid to prevent misinformation from going viral.
- Lawmakers in several states have recently introduced legislation to bar personal and religious exemptions for vaccinations.
- A study published in the Annals of Internal Medicine on Tuesday found no link between the measles, mumps, rubella vaccine and autism, confirming previous scientific research.
- There have been 206 confirmed cases of measles in the U.S. across 11 states since Jan. 1, according to the CDC.

## Four Charts That Show Why Mark Zuckerberg Is Overhauling Facebook

https://www.wsj.com/articles/four-charts-that-show-why-mark-zuckerberg-is-overhauling-facebook-11552070444?st=c2p2u3f68eo1g9i&reflink=desktopwebshare\_permalink

March 8, 2019 at 1:40 pm ET

- Facebook Inc. Chief Executive Mark Zuckerberg this week announced a surprise shift for the company, with more emphasis on private messaging and less on public sharing.
- Mr. Zuckerberg described a future in which people chat, share photos and videos, and buy and sell things through private encrypted channels rather than on public platforms.
- GlobalWebIndex surveyed thousands of internet users to track how online habits have changed in recent years.
- Users are posting photos and status updates to Facebook less often.
- In the final three months of 2018, 23% of Facebook users in the U.S. updated their status or posted a comment about what they were doing, down from 32% in the year-earlier period.
- People in the U.S. communicate with friends and family more often on messaging apps than by posting to news feeds.

- In the third quarter of 2018, 63% of U.S. internet users shared articles and photos via messaging apps such as WhatsApp and Messenger, while 55% shared the content by posting it publicly.
- Messaging app WhatsApp is taking off around the world.
- And in China, WeChat dominates.
- WeChat, the creation of Tencent Holdings Ltd., offers services such as payments and e-commerce inside
  a messaging app, similar to what Mr. Zuckerberg said <a href="helpestodowith Facebook">he hopes to do with Facebook</a>. In China,
  WeChat surpassed 1 billion users in 2018, up from 500 million in 2014.

#### **Facebook's Family Matters**

https://www.wsj.com/articles/facebooks-family-matters-11552601042?st=plnt3fxx0sgmtsj&reflink=desktopwebshare permalink

March 14, 2019 at 6:04 pm ET

- On Thursday the Facebook CEO announced that Chief Product Officer Chris Cox is resigning.
- The 36-year-old executive had been with the social network for 13 years and was widely considered the third-highest ranking executive at the company after Mr. Zuckerberg and Chief Operating Officer Sheryl Sandberg.
- As such, Mr. Cox becomes the most significant of the many executives who have left the company in the wake of the Cambridge Analytica scandal, which broke almost exactly a year ago.
- Notably, he is the only nonboard employee whose departure has merited an 8-K filing.
- Facebook's shares slipped nearly 2% Thursday evening following the news.
- Mr. Cox was one of the executives most instrumental in developing Facebook's News Feed.
- Facebook also announced on Thursday that Chris Daniels, head of its WhatsApp messaging service, is leaving.

## Facebook Wants to Feed Users More Local News. There Just Isn't Enough of It.

https://www.wsj.com/articles/facebook-wants-to-feed-users-more-local-news-there-just-isnt-enough-of-it-11552903201?st=ng9xoxyx7m5pbrh&reflink=desktopwebshare\_permalink

March 18, 2019 at 6:00 am ET

- One-third of Americans live in a place where Facebook can't find enough local news being shared on its service to justify building a localized aggregator for that area, according to data released by Facebook on Monday.
- Facebook's local-news aggregator, called Today In, was launched last year and is currently available in 400 cities through Facebook's mobile app.
- Facebook said it needs to be able to identify at least five news articles a day related to a city that are shared on the platform to justify building a Today In for that city.
- Even high-density states such as New Jersey have significant areas where Facebook was unable to find sufficient local-news coverage.
- Online publishers have also complained that the platforms of Facebook and Google have too much power over who sees their news stories.
- A change to the Facebook News Feed algorithm last year to prioritize posts from friends and family hurt many digital publishers' traffic and put some out of business.
- Facebook executives are aware that if the company kills local news, it will wound itself in the process. "

#### **Facebook Live Has Got to Go**

https://www.wsj.com/articles/facebook-live-has-got-to-go-11553007109?st=tx5wnoivgyhrmjc&reflink=desktopwebshare\_permalink

March 19, 2019 at 10:51 am ET

• But last week the company unwittingly gave users a front-row seat to a live horror show in an intimate place of worship.

- While it is unclear whether real-time video content is a main draw for Facebook's 2.3 billion users, it certainly has been a central area of investment for the company.
- In its first year available, people used Facebook Live to broadcast at least 50 acts of violence, including murders, suicides and beatings, according to a Wall Street Journal report.
- And because live video can be recorded and shared elsewhere, the feature effectively exports Facebook's already significant problem in trying to curb harmful content.
- Facebook said late Monday that a user shared a copy of the Christchurch shooting video to a file-sharing site before the company even knew the video existed.
- In that light, keeping live video doesn't seem to be worth it.
- In last week's case, Facebook says it didn't even know about the video until 12 minutes after it had ended.

# Facebook Axes Age, Gender and Other Targeting for Some Sensitive Ads

https://www.wsj.com/articles/facebook-axes-age-gender-and-other-targeting-for-some-sensitive-ads-11553018450?st=pm56zvnvcjjpfd1&reflink=desktopwebshare permalink

March 19, 2019 2:00 pm ET

- Facebook Inc. is removing age, gender and ZIP Code targeting for housing, employment and creditrelated ads as part of a settlement with advocacy groups and other plaintiffs.
- The new actions—and just under \$5 million in payments—settle five discrimination lawsuits filed by the National Fair Housing Alliance, the Communications Workers of America and others, the company said. "
- There is a long history of discrimination in the areas of housing, employment, and credit, and this harmful behavior should not happen through Facebook ads," Facebook Chief Operating Officer Sheryl Sandberg said in a blog post that will be published on Tuesday afternoon, according to a spokesman.
- The company will now add further restrictions on targeting such ads to U.S. consumers.
- Among other additional steps, Facebook will build a tool to let people search all its housing ads in the U.S., and meet with plaintiffs' attorneys every six months to discuss implementation of the settlement and resolve disagreements.
- It is also providing the National Fair Housing Alliance with ad credits to publicize fair housing rights on the platform, according to Diane Houk, counsel at Emery Celli Brinckerhoff & Abady LLP, which represented the housing alliance.
- Facebook said it is still working with the Department of Housing and Urban Development to address its concerns over housing ads.

# **★** Hundreds of Millions of User Passwords Exposed to Facebook Employees

https://www.wsj.com/articles/facebook-says-millions-of-users-passwords-were-improperly-stored-in-internal-systems-11553186974?st=bzj93jocp1obj30&reflink=desktopwebshare\_permalink

Updated March 22, 2019 at 5:52 am ET

- Facebook Inc. for years stored hundreds of millions of user passwords in a format that was accessible to its employees, in yet another privacy snafu for the social-media giant.
- The incident disclosed by the company Thursday involved a wide swath of its users, though Facebook said no passwords were exposed externally, and it hasn't found evidence of the information being abused.
- It also comes amid a wide-ranging Federal Trade Commission review of Facebook's privacy policies and handling of user data.

- Citing an unnamed senior Facebook executive, independent security researcher Brian Krebs wrote that as many as 600 million passwords were exposed, with some being improperly stored as far back as 2012.
- Whoever designed the logging system didn't have passwords in mind.
- Even if no users were harmed by the mistake, Mr. Vickery said, the sloppiness in handling user data is "another example of bad data governance as a culture at Facebook."
- Facebook has been under fire for much of the past year over data-security issues and concerns over how it monitors the platform.

## Facebook to Block White Nationalism, Separatism Content on Site

https://www.wsj.com/articles/facebook-vows-to-block-white-nationalism-separatism-on-site-11553711344?st=kb0fka4fewrruad&reflink=desktopwebshare\_permalink

Updated March 27, 2019 at 5:19 pm ET

- Facebook Inc. said it would begin banning content that praises or represents white nationalism and white separatism on its Facebook and Instagram platforms next week.
- Facebook has been under fire globally for failing to take sufficient action against hate speech and misinformation on its site.
- Pressure on Facebook is mounting following a live stream of the New Zealand mosque massacre, which prompted the country's prime minister to call for overhauling New Zealand's social- media laws.
- The social-media giant previously only restricted users from supporting white supremacy.
- The company also said it would start redirecting people who search for terms associated with white supremacy to Life After Hate, an organization that helps people leave hate groups.
- Social media sites ranging from Facebook and Twitter Inc. to Gab.com—the platform where the alleged
  Pittsburgh synagogue shooter broadcast his intentions—are grappling with how much action to take
  against hate speech.
- On the issue of white nationalism, Facebook risks stoking criticism that it is more aggressive against misbehavior related to far-right politics as opposed to the extreme left.

#### **★** Facebook Is Making Enemies, Not Friends

https://www.wsj.com/articles/facebook-is-making-enemies-not-friends-11554145780?st=npa4dwounqf2ssa&reflink=desktopwebshare\_permalink

April 1, 2019 at 3:09 pm ET

- Facebook Chief Executive Mark Zuckerberg is tired of getting served.
- Fed up, Mr. Zuckerberg is now trying to redirect public outrage and serve it to regulators instead.
- In an opinion piece that ran online on Saturday in the Washington Post and in Ireland's Independent, Mr. Zuckerberg said he is now having to make decisions about harmful speech, political advertising and cybersecurity—hefty burdens for any company to bear, and particularly one with 2.7 billion users. "
- If we were starting from scratch," he wrote, "we wouldn't have to make these judgments alone."
- Underneath, it is more self-serving.
- His opinions raised the hackles of Federal Communications Commission officials.
- After Chief Operating Officer Sheryl Sandberg shared her CEO's piece on Twitter, Nathan Leamer, policy adviser to the FCC chairman, said in a tweet he would "lean in" on the First Amendment, not government regulation of free speech.

# Facebook Shakes Up Board: Erskine Bowles, Reed Hastings to Step Down

https://www.wsj.com/articles/facebook-shakes-up-board-erskine-bowles-reed-hastings-to-step-down-11555105224?st=gi4s5a09q4q92kv&reflink=desktopwebshare\_permalink

Updated April 12, 2019 at 7:30 pm ET

- Netflix Chief Executive Officer Reed Hastings and former White House chief of staff Erskine Bowles won't be standing for re-election later this year, the company announced Friday.
- The move strips Facebook of two of its longest-serving directors without historical investment stakes or close ties to the company's leadership.
- Messrs. Hastings and Bowles have served on the Facebook board since 2011.
- Only venture capitalist Marc Andreessen and investor Peter Thiel, two of the company's early backers, have served longer.
- Peggy Alford, a senior vice president at PayPal Holdings Inc., will be joining the board as its first African-American woman.
- board member Mr. Thiel's public support for Mr. Trump as "catastrophically bad judgment," according to an email reported by the New York Times.
- Mr. Hastings offered to resign after the disagreement with Mr. Thiel was made public, and Mr.
   Zuckerberg rejected the suggestion, The Wall Street Journal has reported.

## Everyone's Familiar With Facebook; Not Everyone Still Cares

https://www.wsj.com/articles/everyones-familiar-with-facebook-not-everyone-still-cares-11555164180?st=1uru8jqxwt5gmkt&reflink=desktopwebshare permalink

April 13, 2019 at 10:03 am ET

- As of midday Friday, The Wall Street Journal published 510 online articles with "Facebook" in the headline since the Cambridge Analytica news broke in March 2018, according to Factiva.
- Not surprisingly, two-thirds of those were about data.
- The Journal isn't alone.
- Over the same period, The Washington Post published 458 articles about the social-media company, compared with 427 for The New York Times.
- That means each outlet has reported on the company more times than there are days in the past 13 months.
- Readers may still welcome articles on Facebook, but the topic has apparently exhausted the interest of investors
- While news on data flubs continues to flow readily, Facebook's stock is up 37% so far this year.

#### Facebook Expected to Post Revenue of Just Under \$15 Billion

https://www.wsj.com/articles/facebook-earnings-what-to-watch-11556098201?st=cdooz6cqtdw7gfs&reflink=desktopwebshare\_permalink

April 24, 2019 at 5:30 am ET

- Facebook Inc. is scheduled to report first-quarter results after the market closes Wednesday.
- Here are the key points to watch: REVENUE FORECAST: Facebook is expected to post revenue just under \$15 billion, according to FactSet.
- Though missing the holiday advertising spending that pushed the company to record revenues in the fourth quarter, the forecast revenue for the first quarter would be a 25% increase from a year ago.
- EARNINGS FORECAST: Analysts polled by FactSet expect Facebook's profit to fall 5.9% from \$4.99 billion, or \$1.69 a share a year ago, to \$4.69 billion, or \$1.62 a share in the most recent quarter.
- WHAT TO WATCH: FAMILY DYNAMICS: Last quarter Facebook announced that it intends to eventually
  shift toward reporting usage statistics across its "family" of apps, despite their differing growth rates and
  profitability.
- Merging the results would soften the impact of any stagnation in the core Facebook platform's usage numbers—but potentially underplay the strength of Instagram. "

HINTS ON MONEY IN MESSAGING: Against the backdrop of a booming advertising business, Mr.
 Zuckerberg announced in March that Facebook would integrate the messaging systems of Facebook,
 Instagram and WhatsApp and increasingly focus on businesses related to private, encrypted messaging.

## **★** Facebook Sets Aside \$3 Billion to Cover Expected FTC Fine

https://www.wsj.com/articles/facebook-sets-aside-3-billion-to-cover-expected-ftc-fine-11556137113?st=cwdpa0rnpo5njf8&reflink=desktopwebshare\_permalink

Updated April 24, 2019 at 8:10 pm ET

- Facebook posted \$15.08 billion in revenue, up 26% from \$11.97 billion in the year-earlier period.
- Its profit dropped by more than half, to \$2.43 billion in the first quarter, as the one-time reserve wiped out most of its income.
- A multibillion-dollar penalty would likely be the largest ever against a major U.S. tech company by a U.S. regulator, and lands amid sharp debate on Capitol Hill about how best to hold Silicon Valley accountable for its abuses.
- It would also be the largest privacy-related fine in FTC history.
- Facebook agreed in 2012 not to collect personal data and share it without user consent, as part of a settlement with the FTC.
- Following the company's first-quarter earnings report, Facebook stock rose about 8% in after-hours trading.
- Facebook's results follow similarly strong quarterly numbers for social-media peers Twitter Inc. and Snap Inc., and bode well for fellow online-ad giant Alphabet Inc., the parent company of Google.
- Excluding the reserve for the FTC settlement, Facebook's operating margin fell to 42%—a stellar number for virtually any business but nonetheless a step down from the 46% it reported a year earlier, as costs rose to \$8.76 billion from \$6.52 billion.
- Facebook has been warning that its margins will decline as a result of its increased investment in moderating user-generated content.
- Despite independent research suggesting that Facebook users are spending less time on the company's main app, the company reported 1.56 billion daily active users globally, up 8% from 1.45 billion a year ago and continuing the company's expansion streak.
- Average revenue per user also rose, to \$6.42, up from \$5.53 a year ago.
- An FTC settlement wouldn't be the end of Facebook's regulatory issues.
- In the U.S., the company faces a lawsuit by the Department of Housing and Urban Development over alleged housing discrimination on its platform, which attacked basic features of the targeted digital advertising industry in the process.
- In Europe, Facebook faces 10 different inquiries from its primary regulator, the Irish Data Protection Commission.
- And it faces growing international political pressure to take responsibility for content on its Appeared in the April 25, 2019, print edition as 'Facebook Prepares To Pay Big Fine'.
- platform, with regulators in Australia and New Zealand going as far as proposing to threaten Facebook executives with personal fines of jail time if the company fails to adequately block illegal content.
- In response to a question from an analyst, Mr. Zuckerberg said he hoped to see regulators pursue a global framework around content moderation.

## Facebook Probe Found Major Shortcomings in Privacy Protection, Canada Privacy Watchdog Says

https://www.wsj.com/articles/facebook-probe-found-major-shortcomings-in-privacy-protection-canada-privacy-watchdog-says-11556205765?st=5q7hsn6fbmjv27l&reflink=desktopwebshare\_permalink Updated April 25, 2019 at 6:25 pm ET

- Canada's main privacy watchdog said Thursday a year-long probe found Facebook Inc. broke the
  country's privacy laws and failed to protect Canadians' personal information, and will go to court to
  force the social-media company to fix the deficiencies it uncovered.
- A report released by the privacy commissioner of Canada and privacy commissioner for the province of British Columbia said the company disputes the watchdogs' findings and has refused to act on the report's recommendations. "
- A Facebook spokesman said the company is disappointed the privacy commissioner considers the case unresolved.
- In its report, Canada's privacy commissioner said Facebook contested the grounds for the probe, arguing the privacy watchdog didn't have jurisdiction because there was "no known evidence" Cambridge Analytica was provided with data from Canadian Facebook users.
- The agency began probing last year whether Facebook had violated the terms of an earlier settlement when data of tens of millions of its users were transferred to Cambridge Analytica.
- Canada's privacy watchdog said Facebook allowed an app, known at one point as "This is Your Digital Life," to collect information on millions of Facebook users, including 622,000 Canadians, without their authorization.
- Facebook had inadequate safeguards to protect user information and abdicated its responsibility for the personal information under its control, the report said.
- Facebook disagreed with our findings and proposed alternative commitments," the report said in summarizing the company's response.

#### Looming Facebook Fine Points to a Tougher Cop on the Tech Beat

https://www.wsj.com/articles/looming-facebook-fine-points-to-a-tougher-cop-on-the-tech-beat-11556232785?st=xowjn7zu97qi78i&reflink=desktopwebshare\_permalink

Updated April 25, 2019 at 6:57 pm ET

- The social media giant said Wednesday it was setting aside \$3 billion to pay for any potential settlement with the FTC—and estimated the figure could go as high as \$5 billion.
- The penalty could also serve as an important warning shot, particularly for tech firms that are already operating under FTC consent decrees from past missteps.
- Perhaps more important, the new conditions the FTC imposes on Facebook's future behavior could set privacy benchmarks for other companies.
- That could signal the FTC's direction in the Facebook case.
- Several lawmakers from both parties said the FTC case against Facebook only underscores the need for strong action by Congress. "
- The FTC could use its Facebook penalties to make the case to Congress that it could do even more if it had additional authority to pursue privacy violations.
- Some Democrats, for their part, already are dismissing the possible settlement as inadequate.
- The FTC announced its investigation last year in the wake of disclosures that tens of millions of Facebook users' data was shared improperly with Cambridge Analytica, a political consultancy that later did work for President Trump's campaign.
- The social media giant didn't admit wrongdoing as part of the earlier settlement and agreed to refrain from making deceptive privacy claims.
- There is no broad consumer privacy legislation in the U.S. comparable to Europe.
- The Facebook fine could give U.S. enforcers a leg up on their European counterparts, who generally have taken a harder line against U.S. tech giants.
- Under the EU privacy law, regulators there couldn't impose penalties as high as the FTC is contemplating.

#### ★● Facebook Tries a New Look as Zuckerberg Proclaims a New Era

https://www.wsj.com/articles/facebook-gets-a-new-look-less-blue-more-groups-11556645587?st=k5ag1g601nb2m99&reflink=desktopwebshare\_permalink

Updated April 30, 2019 at 4:01 pm ET

- Facebook Inc. rolled out a substantial redesign of its website and mobile app, as Chief Executive Mark
  Zuckerberg seeks to address criticism of the social-media giant's influence by nudging users toward
  different types of engagement and more private communication tools.
- The end result is a platform with more emphasis on private groups and visual stories, and less on the News Feed where abusive content and polarization took root in recent years.
- Facebook's redesigned mobile app went live Tuesday, while users will see the updated website in a few weeks.
- Mr. Zuckerberg said Facebook would discourage users from gravitating toward such groups by making them less prominent. "
- If people really seek it out on their own, fine," he said of existing Facebook groups that promote conspiracy theories. "
- But part of our responsibility is to make sure we don't recommend groups that share misinformation."
- A search for "cancer" in the Groups section shows one of the top recommendations is a "Cancer Cures &
  Natural Healing Research" group, which lists 96,000 members and claims pharmaceutical companies are
  suppressing natural cancer treatments to maintain their profits. "
- Informed of the group's prominence in search results, a Facebook spokesman said the company would strive to hold group administrators to higher account, seeking to "reduce the reach of groups that repeatedly share information that's found to be false by third-party fact-checkers."
- We hoped to launch six months ago," Mr. Zuckerberg said in the interview, "but we prioritized a lot of these safety issues."
- Users of Messenger will soon be able to communicate with people on Instagram and WhatsApp by both text and voice, fulfilling one of Mr. Zuckerberg's early goals for integrating the features Facebook's various platforms.
- Instagram no longer will require users to post a photo for a status update, a feature already wellestablished on the main Facebook app.
- The company said it is expanding its dating app to a total of 19 countries, along with a feature called "Secret Crush," in which users can list nine friends or friends of friends who are of romantic interest, then receive a notification from Facebook if their lists match.

#### Facebook's Private Gamble Goes Public

https://www.wsj.com/articles/facebooks-private-gamble-goes-public-11556655174?st=sut62bcwqye63xo&reflink=desktopwebshare\_permalink

April 30, 2019 at 4:12 pm ET

- the social network's shift from public to private communications may come at the expense of developers and advertisers, and it is unclear whether the undertaking will garner more users or less.
- In a keynote speech on Tuesday at Facebook's F8 annual developer conference, Chief Executive Mark Zuckerberg announced a significant redesign of its mobile app and website, shifting focus from an open public forum to a more private, closed network that emphasizes encrypted, ephemeral communication among closed groups.
- The move is meant to benefit Facebook's users once fully rolled out, which Mr. Zuckerberg said will take time.
- Facebook will highlight Groups over individual posts on its Newsfeed.
- Users also will be able to communicate securely with friends across Facebook's platforms.
- Facebook said it is rewriting its Messenger app from scratch and is a few months from launching
  "Lightspeed," an updated version of Messenger it claims will be twice as fast as other leading messaging
  platforms.

- In the first 30 minutes of his opening keynote for developers, Mr. Zuckerberg mentioned developers only once.
- That was to note that changes Facebook rolled out over the past week to its platforms will further limit the ways developers can access data.
- He admitted this would make developing for the platform harder.
- New changes may affect advertisers, too: While Mr. Zuckerberg emphasized a focus on communities, which would help to pinpoint users' interests, end-to-end messaging encryption across Facebook's platforms means Facebook can't see what is said.
- Within WhatsApp, which already is encrypted, Mr. Zuckerberg said users will be able to share their location privately in real time.
- But if Facebook itself doesn't know where WhatsApp's users are, neither will future advertisers on the platform.