

● Facebook's E-Commerce Bet Stumbles as Meta Looks to Revamp Its Ads Business

https://www.wsj.com/articles/facebook-struggles-with-e-commerce-as-meta-looks-to-revamp-its-ads-business-11651587691?st=r3vrqr8h78q7lxe&reflink=desktopwebshare_permalink

Updated May 3, 2022 at 1:21 pm ET

- Facebook parent Meta Platforms Inc. developed e-commerce services in 2020 as people shopped more from home and the company faced a changing digital ad market.
- Two years later, employees, former executives and retailers say the division remains a work in progress.
- At least five senior executives have left in the past six months, according to a former senior executive in the division.
- Facebook is confident in its e-commerce business. "
- Meta also started bracing for the impact of privacy changes Apple Inc. announced in June 2020 for its iPhone and iPad devices.
- Meta also said it would be spending more as the company pivots to the metaverse, a virtual world where people work, play and interact.
- By developing channels of commerce within its apps, Meta can measure the effectiveness of ads within its own services and reclaim some of the data it lost.
- The potential is significant: Amazon.com Inc., which dominates in e-commerce, reported \$7.88 billion in ad sales in its most recent quarter, a 23% increase from the same period a year ago.
- Meta doesn't break out results from its shopping business, but CEO Mark Zuckerberg said last week that the company recently saw a pullback in e-commerce usage.
- Meta recently began showing a promotion to Instagram users, offering them 20% off when they make their first e-commerce order through the social network.
- More notably, the company is set to expand the availability of ads within the Facebook and Instagram Shops feature, a format it announced in June 2021, in which ads send users to curated collections from a shop or a business's website.
- There are approximately 200 sellers doing early testing of Shops ads, according to a Meta employee.
- Facebook says it added some discount features in late 2020.
- Some merchants are seeing sales growth through Facebook and Instagram Shops.

Facebook Parent Meta Hits the Brakes on Hiring as Growth Stalls

https://www.wsj.com/articles/facebook-parent-meta-hits-the-brakes-on-hiring-as-growth-stalls-11651699263?st=7b1zth3lvyybwo4&reflink=desktopwebshare_permalink

May 4, 2022 at 5:21 pm ET

- Facebook parent Meta Platforms Inc. on Wednesday announced a sharp slowdown in hiring, ending an extended period in which the tech giant added thousands of jobs a year. "
- Specifically, Meta will be halting, or in some cases slowing, hiring for more mid- to senior-level positions, according to the company.
- Like other tech giants, Meta has been a hiring juggernaut in recent years, more than doubling the size of its workforce since 2018.
- Meta overshot some of its hiring goals—it hired more people in the first quarter of 2022 than it did in all of 2021—and it is adjusting accordingly, the company said.
- The shift in hiring strategy comes after a string of disappointing quarters for the social-media company.
- Since February, the company's shares have dropped more than 30%.

● Digital-Ad Giants Google, Facebook, Amazon Come Down From Pandemic Highs

https://www.wsj.com/articles/digital-advertising-giants-are-coming-back-to-earth-after-pandemic-boom-11651743002?st=jdxxrk3cq3pq3vtu&reflink=desktopwebshare_permalink

May 5, 2022 at 5:30 am ET

- The slowdown was caused by a confluence of events, including inflation fears, supply-chain shortages, the war in Ukraine, a gradual return to normalcy two years into the pandemic, the continued rise of TikTok and Apple Inc.'s recent privacy changes. "
- The three largest digital-advertising players in the U.S.—Google parent Alphabet Inc., Facebook parent Meta Platforms Inc. and Amazon.com Inc.—last week said ad revenue in the first three months of 2022 grew by 22%, 6.1% and 23%, respectively, from a year earlier—down sharply from the 50%- plus increases they experienced at some point last year.
- Facebook's overall revenue growth was the slowest it ever posted since going public in 2012. "
- Both Meta and Alphabet cited the war in Ukraine as one of the contributors to the revenue slowdown.
- The company said it saw a related reduction in spending primarily by brand advertisers in Europe.
- Last quarter, Meta warned that the changes would cost the company some \$10 billion in 2022.
- TikTok, the app best known for short viral videos, is expected to see its global ad revenue triple this year.
- The research firm expects Twitter and Snapchat to generate \$5.58 billion and \$4.86 billion, respectively, in ad revenue this year.
- Google and Meta are rushing to ramp up their TikTok-like offerings.
- Twitter and its \$4.5 billion ad business could be vulnerable in the wake of Elon Musk's \$44 billion pending takeover of the San Francisco-based company, ad buyers said.

Snap Plunges, And There Goes Social Media's Online Ad Biz

https://www.wsj.com/articles/oh-snap-there-goes-socials-online-ad-biz-11653386581?st=nkummdej15k9t5x&reflink=desktopwebshare_permalink

Updated May 24, 2022 at 4:35 pm ET

- Then, in a surprise announcement, Snap Inc., the parent company of Snapchat, said in a filing Monday afternoon that revenue and adjusted pretax earnings for the second quarter will come in below the range the company projected barely a month ago.
- Snap's online-ad business is a fraction of the size of Google's, Facebook's or even Amazon's.
- During a presentation at an investment conference that precipitated the filing, Snap Chief Executive Officer Evan Spiegel said "the macroeconomic environment has definitely deteriorated further and faster than we expected."
- Snap's shares closed down 43% Tuesday following Monday's disclosures.
- One of Mr. Spiegel's only reassuring revelations was that revenue still is growing year-over-year.
- None of those factors are Snap-specific.
- In a note Monday evening, Evercore ISI analyst Mark Mahaney said that the macroeconomic factors Snap cited should be relevant for all companies with an ad platform, though he said Snap's significant exposure to Europe (an estimated 15% of its ad revenue) and brand advertisements (an estimated 40% to 45% of its revenue) would be particularly negative for Meta, given Facebook's significant European exposure, and for Twitter, considering that the majority of its ad revenue comes from brand ads.
- Unlike direct-response ads, meant to elicit an immediate click or conversion, brand advertisements are meant to drive more passive brand awareness and are therefore often more cyclical in nature.
- He also noted that Google's ad-revenue composition skews similar to Facebook's, favoring direct-response ads over brand.
- None of the other social-media platforms appear to be presenting at the same investor conference, though Bill Ready, who leads Google's commerce business, will be giving a keynote on Wednesday morning.

Facebook's Parent Company Is Changing Its Ticker Symbol to META

https://www.wsj.com/articles/facebook-parent-company-is-changing-its-ticker-symbol-to-meta-11654096324?st=7vgav4jlgxm85b&reflink=desktopwebshare_permalink

June 1, 2022 at 11:12 am ET

- Meta Platforms Inc. is changing its ticker symbol to META from FB before the market opens June 9, the company announced Tuesday.
- Meta shares will continue trading on Nasdaq.
- Shares of Meta have lost more than one-third of their value since the company announced its name change, underperforming the Nasdaq Composite, which has lost roughly one-fifth of its value over the same time frame.
- Meta, which operates Facebook, Instagram, WhatsApp and other products, has a market cap of roughly \$530 billion.

● Meta Loses an Anchor

https://www.wsj.com/articles/meta-loses-an-anchor-11654127363?st=ztafcc1jtuddcfs&reflink=desktopwebshare_permalink

June 1, 2022 at 7:49 pm ET

- In a Facebook post on Wednesday, Ms. Sandberg said she was stepping down from her role as Meta's chief operating officer after 14 years at the company.
- Her stated reason was to focus more on her family and philanthropic work, but the move comes at a delicate time for an advertising business that she headed—and still accounts for 97% of the company's revenue.
- Wall Street expects Meta's advertising revenue to grow just 6% this year after averaging 44% annual growth over the last 10.
- Meta's stock price slipped nearly 3% Wednesday afternoon after Ms. Sandberg's announcement.
- Credited with guiding Meta's advertising business from zero to the \$115 billion behemoth it is today, Ms. Sandberg has long served as a valuable right hand to chief executive officer Mark Zuckerberg.
- As a 52-year-old mother, she provided a nice public foil to the much younger Mr. Zuckerberg who still candidly admits his company's early days were founded on the somewhat juvenile premise to "move fast and break things."
- The question now is whether Mr. Zuckerberg will stay the course or rock the boat without Ms. Sandberg's anchor.
- While Meta has the social network industry's largest advertising business as its backbone, it is rapidly trying to remake itself into a "metaverse" company through its recent name change and stepped-up investments in virtual reality and related technology.
- Ms. Sandberg's avatar has been notably absent from the table.
- The reality is that Facebook—and now Meta—has always been Mr. Zuckerberg's ship, by virtue of his controlling shares.

A Look at Key Executives at Facebook Parent Meta Platforms as Sheryl Sandberg Prepares to Depart

https://www.wsj.com/articles/a-look-at-key-executives-at-facebook-parent-meta-platforms-as-sheryl-sandberg-prepares-to-depart-11654128280?st=ghjzpo6jns8hywb&reflink=desktopwebshare_permalink

Updated June 1, 2022 at 8:52 pm ET

- The departure of Sheryl Sandberg as Meta Platforms Inc.'s chief operating officer will lead to a shuffling of the Facebook parent's leadership.

- But Mark Zuckerberg, the company's co-founder, chairman and chief executive, has already been reordering the executive ranks in recent years, leaving him with a core group of aides —several of whom have been there even longer than Ms. Sandberg— who have amassed growing power in recent years.
- Here are key players in Facebook's leadership, including Javier Olivan, who will replace her as COO.
- Javier Olivan, chief growth officer A rising power in Facebook's executive ranks since joining nearly 15 years ago, Mr. Olivan has held a series of roles all centered on how to drive and manage
- Mr. Zuckerberg said Mr. Olivan will now lead advertising and business products in addition to continuing to oversee infrastructure, integrity, analytics, marketing, corporate development and growth.
- Chris Cox, chief product officer A longtime Zuckerberg lieutenant, Mr. Cox oversees the company's apps and technologies.
- She also spent 12 years as a partner at law firm Davis Polk & Wardwell LLP, advising tech, media, and financial companies.
- Dave Wehner, chief financial officer Mr. Wehner joined in 2012 after stints as CFO of videogame company Zynga Inc. and, before that, as a managing director at investment bank Allen & Co. He has been CFO since 2014.
- Nick Clegg, president, global affairs Mr. Clegg joined the Nick Clegg, in 2020.

● Sheryl Sandberg Stepping Down as COO of Facebook Parent Meta Platforms

https://www.wsj.com/articles/sheryl-sandberg-stepping-down-from-meta-platforms-11654112778?st=0rwa3xg1bw6gmvj&reflink=desktopwebshare_permalink

Updated June 2, 2022 at 11:36 am ET

- Sheryl Sandberg on Wednesday said she would be leaving her role as chief operating officer of Facebook parent Meta Platforms Inc., closing out her tenure helping lead one of the world's most profitable and controversial companies.
- Ms. Sandberg said her late husband told her she should take the job if she was planning to stay five years, and she stayed for 14.
- Javier Olivan, currently chief growth officer, will take over as the company's COO when Ms. Sandberg leaves.
- Ms. Sandberg was the longtime lieutenant to Mark Zuckerberg, and in that role—and as the author of the leadership book "Lean In"—became one of the most prominent women in business.
- Ms. Sandberg has been telling people that she feels burned out and that she has become a punching bag for the company's problems, according to people familiar with the matter.
- As part of the reshuffling, Marne Levine, the company's chief business officer, will report to Mr. Olivan. "
- Ms. Sandberg received total compensation of \$35.2 million in 2021, and owned about 1.5 million shares as of last month, according to Meta's securities filings.
- Meta's share price has fallen by about half from its peak last year, amid struggles in its core advertising business and a broader selloff in tech stocks.
- That same year, The Wall Street Journal reported that Mr. Zuckerberg told Ms. Sandberg that he blamed her and her teams for the public fallout over Cambridge Analytica, the research firm that inappropriately accessed private data on Facebook users and used it for political research.
- In April, The Wall Street Journal reported that Ms. Sandberg faced scrutiny at Meta over pressing a U.K. tabloid to shelve an article about her former boyfriend, Activision Blizzard Inc. CEO Bobby Kotick, and a 2014 temporary restraining order against him.

● Sheryl Sandberg's Exit From Facebook Parent Meta Isn't Spooking Wall Street

https://www.wsj.com/articles/sheryl-sandbergs-exit-from-facebook-parent-meta-isnt-spooking-wall-street-11654197743?st=byefvacvqnggf4c&reflink=desktopwebshare_permalink

June 2, 2022 at 3:22 pm ET

- Sheryl Sandberg's departure leaves a big hole at Facebook parent Meta Platforms Inc. but analysts say her work setting up the platform as a revenue-generating juggernaut provides a solid base for her successor.
- The longtime chief operating officer of the social media giant on Wednesday said she would step down later this year after 14 profitable and sometimes controversial years with the company.
- She will continue to serve on Meta's board, while current chief growth officer Javier Olivan was named the next COO.
- Analysts didn't view it as an indication of looming challenges for Meta and remain bullish on the company's prospects.
- One key reason: Ms. Sandberg's success in monetizing the tech giant's platform, helping it to rake in nearly \$120 billion in revenue last year.
- They are down more than 40% so far this year, amid a selloff in tech stocks and challenges in online advertising.
- She was charged with advertising sales and legal and policy issues, freeing Mr. Zuckerberg to focus on engineering challenges.
- Now, the company is pivoting toward the metaverse, which will rely less on digital advertising.
- Ms. Sandberg said she plans to spend more time with her family and focus on philanthropy after leaving Meta, though that hasn't stanch speculation on her next steps, whether in public service or elsewhere in the private sector. "

Sheryl Sandberg Built Meta's Ad Machine but Someone Else Will Have to Fix It

https://www.wsj.com/articles/sheryl-sandberg-built-metas-ad-machine-but-someone-else-will-have-to-fix-it-11654206732?st=f1sw3gyz6kugaw&reflink=desktopwebshare_permalink

Updated June 2, 2022 at 6:39 pm ET

- Sheryl Sandberg's 14-Year Career at Facebook: Growth and Controversy Sheryl Sandberg created an advertising machine for Facebook parent Meta Platforms Inc. that capitalized on user data and fueled its business for more than a decade.
- Ms. Sandberg's departure comes less than a year after the exit of former ad sales head Carolyn Everson, another leader with strong ties on Madison Avenue.
- Ms. Sandberg will remain on Facebook's board.
- Ms. Sandberg, who joined Facebook in 2008, has played a variety of roles in building up its ad business.
- She was an internal evangelist, a pitchwoman to Madison Avenue and a crisis manager.
- She was the catalyst for getting marketers to go more and more digital," said Joe Tripodi, a former chief marketing officer for brands such as Coca-Cola, Subway and Allstate.
- Meanwhile, Ms. Sandberg preached the benefits of digital advertising to chief marketing officers and convinced them to move money to Facebook.
- Ms. Sandberg lost credibility with some advertisers in recent years, ad buyers said, partly because of recurring concerns about whether Facebook is a safe place for brands.
- The digital-ad industry is entering a privacy-driven era that challenges the apparatus that Ms. Sandberg built, said Eric Seufert, a digital-ad consultant who specializes in social-media ads.
- Facebook is just in a different place." —

Why Sheryl Sandberg Quit Facebook's Meta

https://www.wsj.com/articles/why-sheryl-sandberg-quit-facebook-meta-11654215712?mod=Searchresults_pos14&page=2

June 2, 2022 at 8:23 pm ET

Mark Zuckerberg's Quiet Growth Engine

https://www.wsj.com/articles/metaspsheryl-sandberg-successor-is-mark-zuckerbergs-quiet-growth-engine-11654248600?st=0dll6egs3mn8ftl&reflink=desktopwebshare_permalink

June 3, 2022 at 5:30 am ET

- The executive who will succeed Sheryl Sandberg as chief operating officer at Meta Platforms Inc. has quietly but steadily amassed power at the Facebook parent by focusing on growth, one of the business objectives most prized by Chief Executive Mark Zuckerberg. Javier Olivan, 44 years old, will take on a position very different from that carved out by the high-profile Ms. Sandberg.
- Meta in April posted its slowest revenue growth since going public a decade ago.
- By the time the company went public in 2012, Facebook said it was available in more than 70 different languages. "
- He became a direct report to Mr. Zuckerberg by 2014 and went on to build an expanding power structure within the company.
- In 2018, in the midst of a management shake-up, he shifted to a new role as vice president of central products, still with an emphasis on growth.
- In January, he secured another promotion, to the position as Meta's chief growth officer.

● Meta Shakes Up AI Unit Amid Drive for Growth

https://www.wsj.com/articles/meta-shakes-up-ai-unit-amid-drive-for-growth-11654546470?st=c9absf4glkuloye&reflink=desktopwebshare_permalink

June 6, 2022 at 4:14 pm ET

- Facebook is shifting its artificial-intelligence development out of central research labs and into its product groups, a move aimed at accelerating the technology's adoption as it pushes for faster growth.
- The move breaks with recent practice at many companies, including Facebook, which concentrated AI research efforts in centralized hubs.
- Joelle Pineau and Antoine Bordes, who co-lead Facebook AI Research, the company's core AI research hub, known as FAIR, will remain in those roles, he said.
- Nick van der Meulen, a research scientist at the Massachusetts Institute of Technology's Sloan Center for Information Systems Research, said Meta's shift to decentralize AI development "emphasizes the importance they place on the role of AI in the future of the metaverse."
- For a tech-focused organization like Meta, Mr. van der Meulen said, it may no longer make business sense to have the future development of products hinge on a single organizational unit or group: "They have gathered enough experience with AI for it to have become pervasive, and thus core to all of their products," he said.
- Allowing a product group, like Reality Labs, to develop their own technology means "they don't have to continuously compete for resources from a centralized team, or state their case for development priorities," Mr. van der Meulen said.

Meta Scrutinizing Sheryl Sandberg's Use of Facebook Resources Over Several Years

https://www.wsj.com/articles/meta-scrutinizing-sheryl-sandbergs-use-of-facebook-resources-over-several-years-11654882829?st=2fmp1kgi5k4xyiq&reflink=desktopwebshare_permalink

June 10, 2022 at 1:40 pm ET

- A number of employees have been interviewed as part of the investigation by Facebook parent Meta Platforms Inc., the people said, adding that the review has been under way since at least last fall.
- The Wall Street Journal previously reported that the investigation included a review of Ms. Sandberg's use of corporate resources to help plan her coming wedding.
- The company already makes extensive disclosures about her and Mr. Zuckerberg's use of corporate resources for certain personal matters.
- Ms. Sandberg also cited a number of Facebook employees in the acknowledgments section of Option B. Ms. Sandberg could be asked to repay the company for employee time spent on her personal work, some of the people said.

- Some within Meta close to the investigation worry about potential Securities and Exchange Commission violations if Ms. Sandberg used professional resources for personal matters without adequate disclosures, although it isn't yet clear what such violations might be, people familiar with the matter said.
- The probe into Ms. Sandberg's activities follows a renewed effort within Facebook to boost the company's regulatory compliance, following a \$5 billion settlement with the Federal Trade Commission in 2019.

Meta-morphosis or More Pain? Possible Futures for Facebook's Parent Company

https://www.wsj.com/articles/meta-morphosis-or-more-pain-possible-futures-for-facebooks-parent-company-11654920026?st=gp07vax2z4jj46y&reflink=desktopwebshare_permalink

June 11, 2022 at 12:00 am ET

● Tech Giants Start Getting Real on Augmented Reality

https://www.wsj.com/articles/tech-giants-start-getting-real-on-augmented-reality-11655202601?st=vh50ddwyy8b34om&reflink=desktopwebshare_permalink

June 14, 2022 at 6:30 am ET

- Less than nine months after going big on the metaverse, the company now known as Meta Platforms is reportedly shelving plans to release commercial AR glasses.
- Meta's Reality Labs segment, which houses its augmented and virtual reality operations, lost nearly \$3 billion in the first quarter alone—on less than \$700 million in revenue.
- Meta Platforms Inc., less than nine months after going big on the metaverse, is reportedly shelving plans to release commercial AR glasses.
- More than 250 million people are engaging with Snap's AR on average every day, according to the company—75% of its daily active user base as of the first quarter.
- Brands can also use Snap's software to enable their consumers to shop on their websites using AR.

TikTok Left a Hole in India's Net—Both Meta and Google Want to Fill It

https://www.wsj.com/articles/tiktok-left-a-hole-in-indias-netboth-meta-and-google-want-to-fill-it-11655808574?st=8hwhmrpf3cfpsxb&reflink=desktopwebshare_permalink

June 21, 2022 at 6:49 am ET

- Last week, Google participated in a \$255 million funding round that valued Mohalla Tech—parent of local language social-media platform ShareChat and short-video app Moj—at \$5 billion.
- Moj is one of India's largest short-video platforms.
- Redseer reckons that the number of short-video viewers could hit 670 million by 2025, becoming the second-largest Indian media audience after television viewers.
- Google now appears to be taking a carpet-bombing, or perhaps carpet-fertilizing, approach to its husbandry of the remaining Indian short-video startups.
- When compared with China, India's short- and live-video segment is still in its infancy, leaving a lot of room for experiments and mistakes.

● Facebook Parent Meta Agrees to End Alleged Discriminatory Practices in Housing Ads

https://www.wsj.com/articles/facebook-parent-meta-agrees-to-end-alleged-discriminatory-practices-in-housing-ads-11655836979?st=4j18s5r2h75n2up&reflink=desktopwebshare_permalink

Updated June 21, 2022 at 5:19 pm ET

- Facebook parent Meta Platforms Inc. agreed Tuesday to adopt new online advertising practices to settle an investigation by federal officials, who said its ads discriminated against users by race, gender and other factors.
- In a statement, Meta said that it also plans to change its ads related to employment and credit in addition to housing. "
- According to federal officials, Meta created an ad-targeting algorithm that would consider protected characteristics—including race, religion and sex—to find Facebook users who mirrored the advertiser's targeted audience.
- for housing ads to address disparities for race, ethnicity and sex between advertisers' targeted audiences and the group of Facebook users to whom Facebook's personalization algorithms actually deliver the ads, the Justice Department said. "
- Meta also agreed to pay a civil penalty of \$115,054, the maximum available under the Fair Housing Act, federal officials said.

Facebook, Netflix and PayPal Are Value Stocks Now

https://www.wsj.com/articles/facebook-netflix-and-paypal-are-value-stocks-now-11655956472?st=h6s6nszwweg4wfi&reflink=desktopwebshare_permalink

Updated June 23, 2022 at 5:01 pm ET

- Index provider FTSE Russell is due to rebalance its stock benchmarks at the close of trading, adding and deleting companies from indexes tied to trillions of dollars of investments.
- Among the stocks on the move are former darlings Meta Platforms Inc., the parent of Facebook , Netflix Inc. and PayPal Holdings Inc. All three will jump into the Russell 1000 Value Index, and their weights in the Russell 1000 Growth Index will dwindle.
- Tesla Inc. will replace Meta as the fifth-largest U.S. company in Russell indexes.
- And many energy stocks, star performers this year, are being promoted to the Russell 1000 index from the Russell 2000 index of small companies.
- The Russell 1000 Growth Index is down 28% this year and is headed for its worst performance relative to the value gauge in the first half of any year since 2002, around the time the dot-com bubble burst.
- Those stocks will remain in the growth index as well, though their weightings in that gauge will edge lower.
- The rebalancing will ripple through trillions of dollars in investments.
- Min Moon, head of index and delta one strategy at JPMorgan Chase & Co., estimates that about \$112 billion will change hands in the final moments of the day.
- Ms. Moon estimates that tech companies will shed the most weight in the growth index, led by Meta.
- Some investors say the price-to-book ratio that FTSE Russell uses has lost its relevance because of the increasing significance of intangible assets, which are ignored in the measure or reflected inconsistently.

Meta, TikTok Could Face Civil Liability if Held to Addict Children in California

https://www.wsj.com/articles/meta-tiktok-could-face-civil-liability-for-addicting-children-in-california-11656419401?st=5aheheg45dafesd&reflink=desktopwebshare_permalink

Updated June 29, 2022 at 2:13 am ET

- Social-media companies such as Facebook parent Meta Platforms Inc. could be sued by government attorneys in California for features that allegedly harm children through addiction under a first-in-the-nation bill that cleared a crucial vote in the state Senate late Tuesday.
- The bill would allow lawsuits if a prosecutor believes a company employed features it knew or should have known would addict minors.
- The bill passed in California's Senate Judiciary Committee by a vote of 8-0.
- The measure will now head to the state Senate Appropriations Committee and, if it advances, to the full Senate, where it must be approved before the end of the legislative session in August.

- Democratic Gov. Gavin Newsom hasn't taken a public position.
- Representatives for Snap, Twitter Inc. and ByteDance declined to comment on the bill.
- Internet-privacy advocates including the Electronic Frontier Foundation have also opposed the legislation, saying it could blur the line between product liability and freedom of speech.
- Meta representatives say the research on the harms of social-media use is inconclusive.
- Chief Executive Mark Zuckerberg has said the hearings painted a false picture of Meta, and company representatives have said the research on the harms of social-media use is inconclusive.
- A bill that died in the Minnesota Legislature this year would have banned the use of social-media algorithms on children.

Meta Will No Longer Make VR-Headset Users Log In With Facebook Accounts

https://www.wsj.com/articles/meta-will-no-longer-longer-require-vr-headset-users-to-log-in-with-facebook-accounts-11657224557?st=6hlx6jd1wnnvsvr4&reflink=desktopwebshare_permalink

Updated July 7, 2022 at 4:58 pm ET

- Starting next month, people no longer will need a Facebook account to use the company's VR devices, Meta said, a rule that users and potential customers have criticized.
- Now, new and existing users will need to create a Meta account and a Meta Horizon social profile to use their VR devices.
- The Meta account is initially only meant to log into headsets and view and manage purchased VR apps, though the company expects to allow users to log into other products or services with it in the future.
- Starting in August, Meta VR users will need new Meta accounts and Horizon profiles to use the company's headsets.
- Under the changes, a user's friends in VR will become "followers," much like how Meta's Instagram app operates.
- Users can connect their Instagram and Facebook accounts to their new Meta profiles, but they won't have to.

● Meta Managers Are Urged to Identify, Push Out Low Performers

https://www.wsj.com/articles/meta-managers-are-urged-to-identify-push-out-low-performers-11657576630?st=wg0i3l2iwxj61p&reflink=desktopwebshare_permalink

July 11, 2022 at 5:57 pm ET

- Meta Platforms Inc.'s head of engineering told his managers to identify and report low performers so they could force those employees out of the company, in the latest sign of belt-tightening at the social-media giant. "
- The memo is the most specific plan outlined by the company since Chief Executive Mark Zuckerberg last month told employees that Meta would be weeding out employees who are unable to meet the company's more
- Realistically, there are probably a bunch of people at the company who shouldn't be here," Mr. Zuckerberg said, according to the report.
- With fear of a recession looming, executives from high-profile tech companies have announced plans to slow hiring or cut jobs, and are in some cases warning employees to brace themselves for tougher times.
- Twitter Inc. on Thursday said it laid off 30% of its talent acquisition team, adding to a string of layoffs by tech companies.

Facebook Parent Meta Details Human-Rights Efforts

https://www.wsj.com/articles/facebook-parent-meta-details-human-rights-efforts-11657803600?st=hodhx0hhq98yodn&reflink=desktopwebshare_permalink

July 14, 2022 at 9:00 am ET

- Facebook parent Meta Platforms Inc. released its first annual report Thursday on the effect its services have on global human rights, highlighting its efforts to combat challenges including human trafficking, the spread of misinformation and attacks on election integrity.
- Facebook's global operations are drawing scrutiny from rights groups and regulators.
- The report primarily recaps steps that Meta has taken since January 2020 to identify and address risks to human rights across its services.
- Included as part of the report is a summary of an assessment of the risks that Meta's services pose to human rights in India, the company's largest market by customers and one where authorities have questioned executives about inflammatory content on its platform.
- In India, home to more than 300 million Facebook users and more than 400 million users of Facebook's WhatsApp messaging service, internal documents said company products were awash with inflammatory content that one report linked to deadly religious riots, the Journal reported.
- Human-rights groups said last year that Facebook was stifling the human-rights-impact assessment it had commissioned, narrowing its scope and delaying its completion.
- In past years, Facebook acknowledged its slow response to a torrent of religious hate speech and misinformation on the platform in Myanmar.
- Facebook later released the full version of a human-rights-impact assessment it commissioned on its operations in Myanmar.
- Thursday's report includes an assessment of the risks posed by Meta's Ray-Ban Stories glasses, which went on sale last year and can record photos and videos.

Apple, Amazon, Meta Highlight Tech-Heavy Earnings Week

https://www.wsj.com/articles/apple-amazon-meta-highlight-tech-heavy-earnings-week-11658568602?st=quos9pjl8p4eho&reflink=desktopwebshare_permalink

July 23, 2022 at 5:30 am ET

- Tech giants Apple Inc., Amazon.com Inc. and Microsoft Corp. headline a busy earnings week amid growing investor fears of recession, rising interest rates and surging inflation.
- A little more than one-third of S&P 500, or 175 companies, are scheduled to report earnings in the coming week, according to FactSet.
- Meanwhile, social-media platforms Snap Inc. and Twitter Inc. flagged revenue challenges from weaker spending from advertisers. "
- SNAP 1.37% United Parcel Service will issue its earnings report on Tuesday.
- Apple, scheduled to report its third-quarter earnings on Thursday afternoon, is expected to post a 13% decline in profit to \$18.81 billion, according to FactSet.
- Analysts expect Microsoft, seen releasing its fiscal fourth-quarter earnings Tuesday afternoon, to report a 5% increase in profit to \$17.29 billion from a year earlier, according to FactSet.
- McDonald's Co., expected to release its earnings Tuesday morning, will show whether fast food can be more
- Chevron Corp. and Exxon Mobil Corp., both set to announce earnings Friday morning, are poised to report higher profits, as the prices of oil, gas and refined fuel products rise and demand outweighs supply.
- The two companies are expected to be the largest contributors to earnings and revenue growth for S&P 500 companies, according to FactSet.
- United Parcel Service Inc. and General Electric Co. will issue their results Tuesday morning, with Visa Inc. and Chipotle Mexican Grill Inc. following in the afternoon.

● FTC Seeks to Block Meta Platforms From Acquiring Within Unlimited

https://www.wsj.com/articles/ftc-seeks-to-block-meta-platforms-from-acquiring-within-unlimited-11658946464?st=zn6p2dfrqt18n6r&reflink=desktopwebshare_permalink

Updated July 27, 2022 at 3:30 pm ET

- The Federal Trade Commission is seeking to block Meta Platforms Inc. from acquiring Within Unlimited Inc. and its virtual reality dedicated fitness app, Supernatural.
- It alleges that Meta and CEO Mark Zuckerberg are planning to expand Meta's virtual reality empire with the acquisition of the fitness app, which would lessen competition in the market and violate antitrust laws.
- A Meta spokesperson said in a statement that the FTC's case is based on speculation and is "sending a chilling message" to people who want to innovate in the virtual reality space. "
- Meta, which owns Facebook, Instagram, Messenger and WhatsApp, is the largest provider of virtual reality devices, the FTC said.

The FTC's Facebook Secrecy

https://www.wsj.com/articles/the-ftc-facebook-secrecy-monopoly-documents-instagram-whatsapp-merger-acquisition-11658682978?st=p1b6m596jyaoijz&reflink=desktopwebshare_permalink

July 27, 2022 at 6:33 pm ET

- Despite having cleared Meta's acquisitions of Instagram (2012) and WhatsApp (2014), the FTC now claims the deals were anti-competitive and that the company maintains an illegal monopoly in the "personal social networking services" market.
- But the FTC hasn't clearly defined this market, prompting Meta this month to file a legal motion to compel it to do so.
- The FTC responded last week that the documents are protected by "deliberative process" privilege and are "not necessary to illuminate the real issue in this case, which is Meta's unlawful maintenance of monopoly power."
- If the documents are so sensitive, why did the FTC hand them over to the House Judiciary antitrust subcommittee investigating tech companies in 2019?

Meta Looks Like a 'House of Kards'

https://www.wsj.com/articles/meta-looks-like-a-house-of-kards-11658962833?st=xyvzuyrghlad969&reflink=desktopwebshare_permalink

July 27, 2022 at 7:00 pm ET

- Kylie Jenner and Kim Kardashian have apparently downgraded Facebook and Instagram parent Meta Platforms.
- Reporting its second quarter results Wednesday, the social-media giant said it saw quarterly revenue drop for the first time ever from a year earlier.
- Worse, the midpoint of its third-quarter revenue forecast came in roughly 10% below Wall Street's expectations.
- Data from eMarketer show Meta has expanded its share of worldwide digital ad revenue from less than 17% in 2017 to over 22% as of last year.
- Many creators say they are being forced to use video on the platform because its algorithm makes it so that photos are "just not being seen."
- Instagram's identity crisis is symbolic of investors' broader thesis change on Meta as a whole.
- Formerly known as Facebook, Meta's share price grew nearly 10-fold from the time of its 2012 initial public offering through the end of last year; this year, it has shed half of its value.
- To support those expenses for now, Meta must continue to lean on its ad business.
- The company said it expected revenue for its Reality Labs segment, which houses its virtual reality business, to decline in the third quarter from the meager \$452 million it put up in the second quarter.
- In the first half of this year alone, Reality Labs lost more than \$5.7 billion.

Facebook Parent Meta Platforms Reports First Ever Revenue Drop

https://www.wsj.com/articles/meta-facebook-q2-earnings-report-2022-11658883684?st=ke882wz15ubnwco&reflink=desktopwebshare_permalink

Updated July 27, 2022 at 9:19 pm ET

- Facebook parent Meta Platforms Inc. posted its first decline in revenue and issued a muted outlook on digital advertising as it contends with growing competition from rival TikTok.
- The company reported quarterly revenue of \$28.8 billion, down almost 1% from a year earlier and slightly below the \$28.9 billion Wall Street was expecting.
- It marks the first time that the company has posted a quarterly drop in revenue from the year earlier. "
- Meta also disclosed that Facebook's daily active user base rose to 1.97 billion users.
- Chief Financial Officer David Wehner said the company, like others, is feeling the pinch from the strong dollar, which is weighing on the top line.
- Meta's shares have retreated since the company posted quarterly results in February that showed a sharper- than-expected decline in profit, gloomy revenue outlook and dip in daily users.
- Meta's stock closed more than 6% higher and fell more than 4% after hours following the results.
- The company also said it expects its total expenses for 2022 to be between \$85 billion and \$88 billion, down from the company's previous outlook of \$87 billion to \$92 billion.
- Nearly one in six posts shown on Facebook and Instagram feeds are now coming from accounts that users don't follow and are based on artificial intelligence recommendations, according to stats shared by Mr. Zuckerberg.
- Mr. Zuckerberg added that Reels ads are on pace to generate \$1 billion in annual revenue.
- Earlier this year, Meta said it planned to slow the pace of some of its long-term investments and adjust hiring plans.
- Earlier this month, the company let go of 368 contractors, including several custodial staff, at its Menlo Park, Calif., headquarters.
- The company on Tuesday also said it planned to raise the price of its Quest 2 virtual-reality headset by nearly 34% to \$399.99, citing a rise in the costs to make and ship the products.
- Separately, the Federal Trade Commission said Wednesday it is seeking to block Meta from acquiring Within Unlimited Inc. and its virtual-reality dedicated fitness app, Supernatural.

Facebook to End Payments to U.S. News Publishers

https://www.wsj.com/articles/facebook-to-end-payments-to-u-s-news-publishers-11659019262?st=zaywtqr86qrzy5w&reflink=desktopwebshare_permalink

Updated July 28, 2022 at 11:39 am ET

- The decision affects deals worth over \$100 million, according to a person familiar with the situation.
- Meta had signed up a host of publishers in recent years, including deals worth tens of millions of dollars with news organizations such as The Wall Street Journal, the New York Times and the Washington Post.
- The Facebook News tab will remain as a feature.
- Meta posted its first-ever decline in quarterly sales this week.
- Chief Executive Mark Zuckerberg has been working urgently to revamp the tech giant's operations, from the content that is presented to users, to how digital ads are delivered, to focusing more on video content.

Facebook Parent Meta Creates New Position for Its CFO

https://www.wsj.com/articles/facebook-parent-meta-creates-new-position-for-its-cfo-11659035926?st=49y9a7nwosaackb&reflink=desktopwebshare_permalink

July 28, 2022 at 3:18 pm ET

- Facebook parent Meta Platforms Inc. carved out a new role for its longtime chief financial officer David Wehner, promoting him to chief strategy officer, an uncommon title for a former CFO.

- In his new job, he'll oversee strategy and corporate development.
- Mr. Wehner, who joined the company in 2012, has served as CFO for the past eight years.
- Susan Li, the company's vice president of finance since 2016, will succeed him.
- He will assume the newly minted post of chief strategy officer Nov. 1.
- We have been working on this succession plan for several years now and I am confident that Susan is ready to step into this role," Mark Zuckerberg, Meta's chairman and chief executive, said in a Facebook post Wednesday.
- Still, the timing of the transition, following the departure of Ms. Sandberg, and the promotion of a CFO without prior finance chief experience, caught some equity analysts off guard. "
- It's one of the biggest CFO jobs in public company America," said Lloyd Walmsley, a research analyst with investment firm UBS Group AG, who said he was surprised the company didn't appoint a tenured CFO to the position.
- The Federal Trade Commission said on Wednesday it is seeking to block Meta from acquiring Within Unlimited Inc. and its virtual- reality dedicated fitness app, Supernatural.

● **Mark Zuckerberg's Bid to Reinvent Facebook Parent Meta Hits Early Snags**

https://www.wsj.com/articles/facebook-parent-metas-revamp-gains-urgency-amid-sales-retreat-11659013229?st=0hw8qgjtmggh59fp&reflink=desktopwebshare_permalink

Updated July 28, 2022 at 4:51 pm ET

- Mark Zuckerberg's efforts to remake Facebook parent Meta Platforms Inc. are off to a halting start, despite a new sense of urgency after the company posted its first-ever quarter of falling sales.
- Meta on Thursday walked back some new Instagram features central to the revamp that had drawn swift user backlash.
- Shares in Meta were down more than 6% in Thursday trading.
- The stock has retreated more than 50% this year, erasing roughly \$500 billion from its market valuation.
- He added that nearly one in six posts in users' Instagram and Facebook feeds come from accounts that users don't follow and are based on AI recommendations.
- That figure will rise to one in every three posts by the end of 2023, he said. "
- It also said it would throttle back the number of posts shown to users from accounts that they don't follow. "
- The company responded by buying up Instagram for \$1 billion and revamping its mobile apps.
- Sheryl Sandberg, who is credited with helping build Facebook into the ad juggernaut it became, is leaving the company and was on her last Meta earnings call Wednesday.
- The company cut its forecast for expenses this year to a range of \$85 billion to \$88 billion, from an earlier projection of \$87 billion to \$92 billion.

From Apple to Microsoft, Big Tech Results Spotlight Breadth of Economic Upheaval

https://www.wsj.com/articles/from-apple-to-microsoft-big-tech-results-spotlight-breadth-of-economic-upheaval-11659094604?st=hniryhbmjlkgt&reflink=desktopwebshare_permalink

July 29, 2022 at 7:36 am ET

- Amazon.com Inc. posted a loss for a second straight quarter on Thursday, the same day Intel Corp. shocked investors with a net loss in the second quarter as it suffered its biggest drop in quarterly revenue in more than a decade.
- Facebook parent Meta Platforms Inc., a day earlier, reported its first-ever quarterly sales retreat, and Microsoft Corp. earlier in the week disclosed its slowest earnings growth in two years.
- Intel said it expects the PC market to shrink 10% from 2021, and Microsoft reported a sales drop in videogames.

- Combined, Apple, Microsoft, Alphabet, Amazon and Meta still reported higher quarterly sales than in the year-earlier period, but they were more than 1% lower than in the year's first quarter.
- Shares in the tech-heavy Nasdaq are down around 15% since the second quarter kicked off through Thursday.
- Meta's quarterly results retreated, but they were still the fourth-highest on record for the company.
- Amazon's cloud-computing business, known as AWS, grew by 33%.
- And Microsoft this week said it still expected to post a double-digit revenue increase in the year through June, largely on the strength of its cloud operations.
- Meta this week said it expected its total expenses for 2022 to be between \$85 billion and \$88 billion, down from an earlier outlook of \$87 billion to \$92 billion, while Intel slashed about \$4 billion from its capital-investment budget for the year.
- Many of the tech companies are reacting to the turmoil of recent weeks by streamlining their operations.